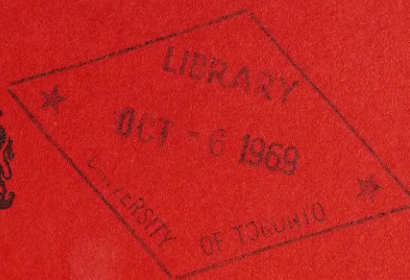


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BUDGET SPEECH

DELIVERED BY

HONOURABLE EDGAR J. BENSON

MINISTER OF FINANCE

MEMBER FOR KINGSTON AND THE ISLANDS

IN THE

HOUSE OF COMMONS

JUNE 3, 1969

THE QUEEN'S PRINTER
OTTAWA, 1969



CANADA

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BUDGET SPEECH

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

Hon. E. J. Benson (Minister of Finance)
moved:

That this house approves in general the budgetary policy of the government.

He said:

Mr. Speaker:

When I presented my first budget to this House last October, I suggested that we had to ensure a sound economic and financial base from which the country might move forward through a new period of growth and social progress. From the review which I shall give tonight, I think it will be evident that we are well launched upon this course. The hard decisions taken seven months ago, regarding both expenditure control and difficult tax measures, are now paying off. As a result, after a lengthy period of difficulty, we are now getting a firmer grip upon the national finances and bringing them under more effective control.

It will be recalled that last October I had to submit a revised fiscal statement for 1968-69, taking particular account of substantial increases in expenditure which could not be avoided. While budget balance was a desirable goal, I felt at that time that drastic attempts to raise the necessary revenues over a short period would disrupt the whole Canadian economy, and it was therefore preferable to plan for budget balance in 1969-70. Tonight I am able to confirm that we now expect not only to meet but to surpass our target.

Nevertheless, it is also apparent that developments in the economy will not let us be complacent. Rather, the vigor of the current economic expansion and the persistence of strong inflationary tides necessitate a reassessment of our position. They lead in turn to further important decisions on the course of fiscal policy for the period ahead.

Out-turn for Fiscal 1968-69

I turn first to a brief review of the background in fiscal 1968-69. Both the economic setting and the financial results of the past year have been described in detail in the Budget Papers tabled last Tuesday. The main highlights were the emergence of a strong upswing in the economy, a faster increase in revenues than had been anticipated, and some results from rigorous control over expenditure. Consequently, the actual budgetary deficit was not only substantially reduced from the previous fiscal year, but it was also brought down by \$109 million below the level foreseen in the October budget.

The preliminary figures also show that while total expenditures rose by some 9 per cent, half of this increase was accounted for by larger payments to the provinces. These payments, both in the form of unconditional fiscal transfers and in grants for shared-cost programs in health, welfare and education, rose by over \$450 million, an increase of some 27 per cent. Additional public debt charges accounted for a further \$178 million. The increase for all other federal programs and services provided through the budget was held down to less than 4 per cent, less than the rate of increase in pay and prices in the country as a whole. Despite all that has been

said to the contrary, I believe that this result provides clear evidence of the success of our efforts to limit expenditures and cut back wherever there has been scope to do so.

• (8:10 p.m.)

In October I estimated that our net extra-budgetary cash requirements during the fiscal year 1968-69, apart from the financing of our exchange reserves, would be about \$600 million. This took into account loans for housing, farm credit, power projects, etc. as well as the requirements of our crown corporations for their investment programs. In fact these loans and investments turned out to be somewhat less than I anticipated in October. As a result the net requirements for all extra-budgetary purposes other than exchange transactions, and one unforeseen extra-budgetary receipt which I shall mention, are now estimated to have totalled approximately \$380 million. The special item to which I referred was the amount charged to last year's expenditures for delayed retroactive wage payments of \$111 million. The cash was not paid out in the last fiscal year but was credited as noted in the White Paper to a liability account in a manner to offset the expenditure item and reflect the fact that no cash disbursement was made. In addition we did have requirements between October and March 31st to finance foreign exchange transactions. These and the salaries adjustment item offset roughly any reductions made in our loans and advances.

A summary of budgetary and non-budgetary transactions and the changes in our cash position in the fiscal year 1968-69 is set out in Table 1 of Part II of the White Paper on page 164. Overall cash requirements of approximately \$1.9 billion were financed mainly by an increase of approximately \$1.5 billion in unmatured debt outstanding, inclusive of foreign loans obtained last May to add to our exchange reserves. The remainder of our requirements were financed by drawing down our bank balances by about \$400 million, leaving them on March 31st last at about \$600 million.

Economic Trend and Prospect

As for the state of the economy, one of the most important highlights detailed in the Budget Papers was the gathering momentum of activity toward the end of 1968, and the carrying forward of a strong advance into the current year. All elements of demand—consumer expenditure, capital investment, exports and total public spending—have contributed to the acceleration. Real production has

turned strongly upward and unemployment, which reached a high point of 5 per cent in the middle of last year, has since declined. There have also been a number of important developments in our trade, the balance of international payments, and our foreign exchange position, especially in regard to arrangements with the United States. These have been set out in the Budget Papers, and it will not be necessary for me to review them in speaking this evening.

Looking forward at this time to the balance of the present year, we can now expect a growth rate stronger than in 1968 and considerably stronger than we anticipated last October. With a gain in employment of about 4 per cent, an advance in real output of better than 5 per cent, and assuming an increase in prices about the same as last year, the gross national product is likely to rise by 9 per cent.

This strong expansion is of course welcome, but the main problem is obvious. Although the rate of increase in the price index of the gross national product as a whole has subsided from its peak in 1966, the persistent year-to-year rise in prices and costs is unacceptably high. Further, the very strength of the current expansion clearly aggravates the threat of intensified inflationary pressure, with all of its attendant evils. I emphasized this dangerous prospect last October. In opting for a policy of fiscal restraint, I spoke at some length about the serious and damaging effects caused by a rapid rise in prices and costs on the scale experienced in recent years. Most of these damaging effects—the injustices visited upon the poorest and weakest groups in our society, the undermining of the productive market system, the erosion of our ability to compete abroad, the disruption of the essential flow of savings and investment through the capital markets—have been painfully evident to us all. There can be no question that the number one priority in economic policy today must be to deploy all available forces—public and private—more aggressively than ever in the battle against inflation in Canada.

In recent months the influence of international price trends upon our domestic price performance has become increasingly important. Hon. members need not be reminded of the key role played by prices in our external trade and of the importance of remaining competitive with other countries. With exports of some \$17 billion, equal to one-quarter of our gross national product, Canada, of course, is one of the world's great trading nations. We all know that we must not let our prices advance more rapidly than those of other

countries. At the same time, we also have to recognize that our vast economic and financial relationships with the rest of the world lead to the spreading of price movements from country to country. We cannot hope to insulate ourselves completely from these influences.

Over the past year, however, the problem of price inflation has been of concern not only to Canadians, but to most of the countries with whom we trade. In the United States, price increases have recently been running higher than those in Canada and strong measures have been adopted there to contain the problem, with difficult consequences for our capital markets. Among other major trading nations, Britain, France and Japan are encountering an advance in prices higher than the rise being experienced in this country. In Germany and Italy, the only two major economies where price increases are lower than those in Canada, it is expected that the rate of price inflation will be more severe in the present year than last year.

Looked at from this perspective, it is not surprising that we have found it so difficult in Canada to make progress in checking price increases as effectively as we would have hoped. Nevertheless we cannot afford to relax our efforts. Major steps are under way on a worldwide basis to reduce inflationary pressures. In the United States especially it is widely anticipated that the restrictive fiscal policy and, in particular, the tough monetary policy now being followed will begin to take hold and slow the rate of price advance significantly before the end of the year. The success of other countries' policies will help us in our own efforts. At the same time it makes the successful achievement of a better price performance here in Canada even more urgent and compelling, I believe.

• (8:20 p.m.)

In this regard, I am confident that the establishment of the Price and Incomes Commission recently announced by my colleague, the Minister of Consumer and Corporate Affairs, represents an important step forward. In too many cases not enough is known as to why the prices we have to pay have risen. Still less is known as to what can be done about the problem, fairly and effectively, in a free market economy which we have in this country. Adding to our understanding and knowledge is the task of the Commission, and in carrying out that task it is bound to point in the direction of relevant and acceptable solutions. It will, I am sure, help all of us to recognize and adjust to the inescapable fact that we cannot expect unrealistic gains in our incomes year after year.

There have been suggestions that because the Commission is not empowered to intervene in particular price and income decisions, for example, in a price or wage increase in a single company, it cannot exert much influence. This is a mistaken view. It fails to recognize the procedures for referral of reports to the Parliamentary Committee, the armoury of formal and informal weapons available to governments, and the powerful thrust of public opinion once it has been focused upon a clearly defined issue. To argue that the work and stimulus of the Commission will be ineffective is to argue that Parliament, government, and the Canadian people themselves are ineffective. I do not agree. I believe, as Dr. Young, the Chairman of the Commission, has put it, that "those who are betting on a high rate of price increase will prove to be wrong".

Fiscal Outlook, 1969-70

I come now to the question of the fiscal outlook for 1969-70, as revised on the basis of the most recent information. In looking ahead last October over a period of eighteen months, I felt it wise to be particularly cautious in budget forecasting. Revenues were put at \$11,675 million, and expenditures at \$11,670 million, for a nominal surplus of \$5 million. However, the buoyancy of the economy and the tax measures introduced in October are now forecast to produce a year-to-year growth of revenues, before any budget changes to be announced tonight, of about \$1,870 million bringing them to a fiscal year total of \$12,040 million. The yield of income taxes, both individual and corporate, should be particularly strong, offsetting the slower growth of other revenues attributable to such factors as the reduction of tariffs and the cancellation of sales taxes on drugs and production machinery introduced two years ago by my predecessor.

As for expenditures, I am still confident that these will remain within the limit of \$11,670 million previously forecast. We will not spend the total amount originally budgeted for medicare since a number of the provinces will be joining in the program later than assumed. In other shared-cost programs, we have had excellent co-operation from the provinces in the forecasting of their expenditures and in their own efforts to contain rising costs, so that the major problems encountered last year are not likely to be repeated. A number of small, but urgently necessary supplementals have to be anticipated, for example, emergency assistance to Newfoundland fishermen, and additional sums for the education and welfare of Indian Canadians. Some over-runs on statutory items are also

expected, including advance payments on farm-stored grain and interest costs on loans for students. The largest of these, however—about \$39 million—is an increase in equalization payments to Quebec, the Atlantic Provinces and Manitoba, caused mainly by the stronger-than-expected advance in the yields of provincial taxes. The next largest increase over items as originally forecast is in the cost of servicing the public debt, because of higher interest rates. Taking these and other uncertainties into account, it now appears that total expenditures can be held to \$11,650 million, which is \$20 million less than I provided for in October.

As a result, the outlook before any budgetary changes to be announced tonight, is for a substantial surplus of some \$390 million. I might note that while the federal budget was essentially balanced in both 1964-65 and 1965-66, under Prime Minister Pearson, the substantial surplus now foreseen will be the first actual surplus realized since the administration of Prime Minister St. Laurent in 1956-57.

Impact of Fiscal Policy

I have given considerable thought to the impact of this prospective surplus, not only upon our finances but also upon the national economy. Obviously, as I shall detail later, it will be of great assistance in enabling us to meet our large extra-budgetary lending programs for housing construction, farm credit, atomic energy and Atlantic power development, export credits and so forth. This is most important at a time when borrowing is very difficult for everyone.

The size of the surplus also accentuates the very sharp swing in the impact of fiscal policy upon the economy. Taken together with the deficit of \$566 million experienced in the last fiscal year, the swing amounts to a total of nearly one billion dollars, considerably more than one per cent of the G.N.P. It can be regarded as a very substantial budgetary restraint upon the growth of total demand in the economy, and provides a powerful general check upon the inflationary forces pushing up prices and costs in the economy. A fiscal policy of restraint, as expressed in a surplus of this size, combined with a restrictive monetary policy which the circumstances of North America have made necessary, should be an effective combination to overcome persistent inflationary pressures in our Country. An undue portion of the necessary overall restraint cannot be left to be accomplished only by monetary policy in an economy where a large, continuing flow of savings through the capital market for both private and public investment is of major importance. From

every point of view I am convinced that maintaining a strong fiscal position is now essential to check the rise in prices and smooth the way toward more balanced and sustained economic growth.

For these reasons I have given no consideration to a reduction of taxes, attractive as such a prospect might be. On the contrary, so important is it not to relax the fiscal brakes exerted by the present structure of income taxes upon inflationary forces in the economy, that I have concluded they should be maintained in full force for the period ahead. I am not proposing any increase in either personal or corporate tax rates beyond their current levels nor an increase in sales tax, but I am proposing tonight that the personal income tax surtax of 3 per cent on "basic tax" in excess of \$200 and the corporation income surtax applicable for the years 1968 and 1969 should be extended until December 31, 1970. When the White Paper on tax reform has been discussed with the public and the provinces, and examined by Parliament, and the government decides upon the final tax proposals which it will submit to Parliament, it will be necessary to re-assess the need for these surtaxes in the light of the economic circumstances of that time. This proposed extension of the surcharges would increase budgetary revenues by some \$25 million in this fiscal year, and if continued throughout the whole of 1970 would provide about \$155 million next fiscal year.

● (8:30 p.m.)

In making this proposal tonight, I am mindful of the implication given last October that these surtaxes would be allowed to terminate as scheduled and that this was a factor in determining the series of tax measures then introduced. It will be clear to everyone, however, that the extension of the surtaxes at this time is required for the purposes of economic stabilization, and not for budgetary revenues.

Tax Reform

I now expect that the White Paper on the reform of the Income Tax, containing proposals I have been discussing with other Ministers during recent months, will be ready some time during the Parliamentary recess. I propose to issue it when it is ready and will send it immediately to all members. I shall also invite all parties in the House to have representatives meet with me and my officials at the time the White Paper is issued to ask questions about it and receive explanations. I shall also invite representatives of the provincial governments, who are of course very much interested in the proposals, to do the

same. I think this procedure will assist members to prepare for the consideration of the White Paper in committee in the session commencing in the fall, as well as to deal with questions they may receive during the recess.

Selective Anti-Inflation Measures

I have also given careful attention to the fact that the current economic expansion is not evenly distributed across the country. This is reflected in rates of unemployment and economic growth, where long-standing differences among the regions continue to persist. This disparity is the basic problem now being attacked under the array of programs of the new Department of Regional Economic Expansion. The expansion and improvement of these programs is of course a major commitment of the government, and the more rapidly the House is able to pass the legislation establishing the Department and its new industrial incentives program, the more rapidly the Department will be able to get on with its very important job. In the short-term however, the Budget Papers point out that the rate of advance among the regions this year is mixed, even though inflationary increases in prices and costs are unfortunately widespread.

Under these conditions we have turned our attention to measures which might be directed in a more selective way to deal with particular problems. One of these is the need to increase the element of price competition and efficiency in the domestic economy. In too many cases the attitude is that cost increases, including large wage settlements, can be accepted because they can be easily passed on in higher prices to the consumer. This is a psychology which needs to be broken.

In considering this situation, we have concluded that a particularly useful and effective way of intensifying competition would be to put into effect immediately the remaining tariff reductions of the Kennedy Round.

To be specific: I propose that the final rates which were to come into effect on January 1, 1972, should come into effect as of tomorrow morning. This means that the remaining Kennedy Round tariff reductions which had not yet been given effect are to apply immediately. The reductions should amount on average to about three percentage points, on imports worth about \$2 billion a year.

It may be useful if I remind the House of certain features of our Kennedy Round tariff reductions. In that negotiation the Canadian Government undertook to reduce tariffs on a wide range of raw materials, on semi-processed products, on components, and on

final manufactured and consumer goods. It was the Government's view then, as stated by my predecessor, that the carefully selected package of tariff reductions agreed to by Canada would, when fully implemented, contribute to the overall efficiency of the Canadian economy. We gain from such tariff cuts because of the greater efficiency required to meet keener competition; moreover, the tariff reductions on the products of one producer are, of course, reductions in the costs of others. Thus, aside from the improved access to foreign markets for Canadian producers negotiated in the Kennedy Round, the modernization and rationalization of the Canadian tariff achieved in the Kennedy Round context offered the prospect of reduced costs and improved efficiency.

Certain sectors of the Canadian tariff proposals were implemented without phasing—that is, they were implemented in one step. These included the tariff reductions on certain tropical products, the tariff reductions on certain wood products, the tariff reductions on chemicals and plastics and, perhaps most important of all, from the point of view of cutting costs, the modernization of the machinery tariff. Under the direction of the new Machinery and Equipment Advisory Board, Canadian industry has been able to secure at duty-free world prices a wide variety of machinery determined by the board not to be available from Canadian sources. This is now having an important impact in reducing Canadian production costs.

The remaining group of tariff reductions were to be staged over four years. Two-fifths of these reductions have already been made. In the present situation, in which there are continuing increases in both U.S. and Canadian costs and prices and a need to introduce more competition into the Canadian economy, the Government has concluded that the full benefits of the Kennedy Round tariff reductions should no longer be delayed.

I recognize that some producers will feel they are being denied the time for adjustment to increase competition, which the phasing of the Kennedy Round reductions would have provided. However, I believe that in today's climate, when failure to counter inflation holds its own risks for our competitive position, more time is not necessary for our producers to adapt themselves to these tariffs. I am confident that the whole economy will gain by the step we are taking.

● (8:40 p.m.)

A most important consideration before the Government in making this proposal is that the burden of adjustment and the pressure of

increased competition will fall mainly on producers in the industrial center of Canada. It is here that inflationary pressures are greatest. This is one of the principal reasons why the Government has decided to propose this measure rather than resort to any generalized tariff or tax measure, the burden of which might well have fallen with rather greater weight on those areas of the country where economic activity is still lagging behind central industrial Canada.

These reductions should, of course, be of importance to consumers, although the main effect will be, I think, to reduce producers' costs. There will be tariff reductions on canned meat, confectionery, biscuits, cereals, fruit juices, and some other foodstuffs. These immediate tariff reductions should help to keep down prices. There will be reductions too, on a number of consumer appliances, such as washing machines and dryers, power lawn mowers and television sets. In the textile sector there will be reductions on knitted fabrics and garments, and on synthetic fabrics. I believe the principal effect of these reductions will be to help our garment industry maintain its competitive position.

In the industrial sector one reduction will be the elimination of the present thirty cents per ton duty on coal. There will also be a number of important reductions in the tariff on semi-manufactured forms of non-ferrous metals.

I am making only one exception to the acceleration of these cuts. This will be on shoeboard, a paper product for which the tariff is scheduled to be reduced from 20 per cent to 5 per cent. The full period of four years is required for readjustment of the production facilities of this small industry to meet this more than usual tariff reduction.

Tourist Exemptions

I am also proposing changes to the two existing tariff items which provide free entry for goods brought in by Canadian residents returning from trips abroad. One of the tariff items now provides for a \$25 exemption once every four months after an absence from Canada of not less than 48 hours. Under the second, Canadian residents returning from a point beyond the continental limits of North America after an absence of not less than 14 days may claim an additional exemption up to \$75. If use is made of the second tariff item no further claim can be made under either tariff item for the next 12 months. These exemptions have been at the \$25 and \$75 level since 1962.

The present provisions are misunderstood by many Canadians, including myself, return-

ing from trips abroad and I have received a number of representations that they be modified. This evening I am proposing changes which will expand the current exemptions and which should also simplify administration. The \$25 exemption after an absence of 48 hours, which now can be used once every four months should, I suggest, be available on a quarterly basis, and be completely independent of the annual exemption. There should be a \$100 exemption each calendar year for Canadian residents returning from any country, including points in North America, after an absence of 12 days. These two exemptions would not be combined for the same trip abroad. Since it is intended to go to a calendar year basis, it is proposed that these changes come into effect on January 1, 1970.

In addition, I am proposing that there be a combined rate of 25 per cent for duties and taxes on goods valued up to \$100, other than duty free goods, alcohol and tobacco, brought in by Canadians who have been out of the country for 48 hours and who on their return are either not entitled to an exemption or have purchased goods abroad in excess of their exemption. It is also suggested there be an exemption for those returning to Canada after an absence of 48 hours with goods, other than alcohol or tobacco, valued at no more than \$5, which can be used by those not claiming the annual or quarterly exemption.

These latter provisions, which are to come into effect on a provisional basis tomorrow, will assist in speeding up customs procedures for returning Canadians. They will eliminate the need for customs officers to look up and check the rates of duty on innumerable small items, and the returning tourist—and he is a tourist only because of prosperity under a Liberal government—

Some hon. Members: Oh, oh.

Mr. Hees: You are not a good gag man; stick to the straight stuff.

Mr. Benson: The returning Tory tourist, tired and broke—

Some hon. Members: Oh oh.

Mr. Benson: —will know where he stands.

Taken all together, the changes in the tariff involve a loss of revenue estimated at about \$50 million for the balance of the year, including a sales tax. This is no small loss of fiscal pressure. But it is more than offset by the leverage effects of the tariff cuts in reducing Canadian prices. The real impact of the cuts will be many, many times this amount. They will increase supplies, sharpen competi-

tion, reduce producers' costs, and strike directly at a wide range of prices.

Deferred Depreciation

A further measure is intended to deal in a selective way with a particular source of inflationary pressure in the economy. It is well known that under conditions of strong demand and expansion, the building industry typically tends to lead the upward movement of costs and prices. This year the survey of capital investment intentions indicates that the rise in new capital investment will be 9 per cent, with a high degree of concentration in Ontario where the forecast is for a gain of 13.7 per cent. In the longer-term, this investment is essential to provide expanded employment and productive capacity, but under present circumstances rapid changes add to current inflationary pressure, especially when they are highly localized. I have considered this problem at length and have concluded that a modest degree of restraint on some kinds of building would be appropriate.

I therefore propose that depreciation, or capital cost allowances, for tax purposes should be deferred for a period of two years on commercial buildings put in place up to the end of 1970. This would not apply to any form of housing, industrial building, utilities, or public institutions. Commercial building includes buildings for wholesale and retail trade and services, office structures, banks, financial institutions, and other commercial facilities such as hotels, theatres and service stations. Having in mind the disparity of regional conditions, however, this measure will not apply in those provinces where unemployment remains relatively high or where employment growth has been slower than the national average. Building in rural areas and in smaller towns and cities, which bear the effects of inflationary pressures but scarcely contribute to them, will also be totally exempt. The cut-off point will be a population size of 50,000 as recorded in the last census, and the boundaries of the areas affected will also be those defined in the 1966 census. The measure, therefore, will apply to major urban centres and census metropolitan areas in Ontario, Alberta and British Columbia. In these urban concentrations in aggregate, commercial building construction this year appeared likely to rise by more than 25 per cent, and total building construction by more than 10 per cent.

Some holding back of commercial building in these centres will therefore ease the pressure of demand upon construction supplies and resources. It should help to divert more funds and resources to essential housing, schools, and municipal works, and to the

industrial plants and factories needed to produce the increasing flow of goods and commodities which remain the basis of our prosperity. The beneficial effects of this action will also spread to all parts of the country. At the same time it is the intention of the government so far as possible to defer major new construction for its purposes in the same areas.

Earlier experience with the deferral of capital cost allowance suggests that this kind of procedure can be effective and minimize the problems of taxpayer compliance. The action will not be retroactive, since projects for which a firm commitment has been made will be exempt. The urban areas in which it applies, as I have indicated, will be clear, as will the definition of commercial building. In the case of multi-purpose projects, the regulations will provide a clear and relatively simple method of pro-rating the floor-space involved. I am also confident that the measure will lead to some postponement of commercial construction, since the financial effect of deferred depreciation of two years is substantial. This fact will not escape the notice of the lending institutions.

(8:50 p.m.)

In making this proposal, I do not believe the construction industry as a whole, or its labour force, will be seriously affected. Nor do I suggest that commercial building is not important in the longer-run growth of our economy. It is clearly necessary for the wide range of services which account for an increasing proportion of our consumption and total employment. My main thought, however, is that when the demand for capital and resources is unduly high in particular areas, it makes sense to postpone those things which are less urgent to ensure the successful accomplishment of more important needs. If there is going to be overcrowding, it is better that it take place in stores, offices and banks than in homes and factories.

With respect to a different matter entirely, I should also announce that I propose to extend the provisions of the Income Tax Act relating to the two-year write-off of the cost incurred by firms in the installation of water pollution control equipment. These provisions expire at the end of this year and I suggest that they be extended until the end of 1970.

User Charges and Airport Costs

A further measure of budgetary significance arises out of a general policy to ask those who benefit directly from services or facilities provided by the government to pay charges more in line with the direct costs involved. We already obtain about \$200 mil-

lion per annum from such user charges of various kinds, apart from postal charges but including rents for government property. In some cases these charges have not been recently revised to reflect current levels of costs or values of services, and we are carrying out a systematic review and revision of these charges. We shall probably introduce some new charges as well. In almost all cases this action can be taken under existing legislation. There is one important field, however, where legislation will be required to impose what will in effect be a tax. This relates to air transport.

It is well known that our expenditures on the construction, equipment, operation and maintenance of airports and other air transport facilities are now very large. In the last fiscal year they are estimated at \$73 million. The revenue we obtain from user charges, rents, etc. of one kind and another related to airports and air transport facilities is far less—only about \$41 million currently. In the general review I have mentioned, the Minister of Transport and the Treasury Board will be working out revised charges for various facilities and services. We have decided, however, on one measure which we believe should be enacted by Parliament as soon as possible to assist in providing more revenue in this field. We shall wish to consult the air carriers about detailed problems of defining and administering a measure of this kind before putting it forward to the House. Therefore tonight I am simply announcing the main lines of what we intend.

We propose that a charge, a tax, be levied on the price of tickets or other charges (such as charter hire) made by air carriers for carrying passengers in or from Canada on trips commencing with a date to be specified in the legislation. We have worked out a tentative plan for such charges which we believe would yield revenues of about \$20 million a year. The actual amount to be collected in this fiscal year will depend of course on how soon the proposal can be put into effect after the necessary consultations on details.

Further Tariff Amendments

I should also draw attention at this point to certain further amendments to the Tariff which relate to recent reports of the Tariff Board. The first of these reports dealt with machinery, apparatus and printing plates for the printing and allied industries. The proposed schedule of tariff items will result in a significant simplification of the existing tariff provisions for this equipment. The Tariff Board recommended continued duty-free entry for most of the printing equipment

which is now free of duty and removal of the duty on a considerable range of other equipment. Although the Board recommended some increases in rates of duty, the net effect of the new schedule will be to reduce the amount of duties payable by the printing and allied industries.

The second report covered precision instruments and apparatus used in engineering, surveying, prospecting, drafting and metal-working. Most of these instruments and apparatus are not made in Canada. The revised tariff items represent a modernization and expansion of the scope of the existing items for this equipment. There are also some reductions in duty including a reduction from 9 per cent to 5 per cent M.F.N. on engineers', surveyors', and draftsmen's instruments and apparatus.

In the third report the Tariff Board dealt with the principle of providing duty free entry for certain goods because they are for religious, educational, scientific, literary or artistic purposes, or for the benefit of afflicted or handicapped persons or for use in ministering to such persons. The schedule I am tabling this evening will continue, consolidate and clarify provisions which now exist for the free entry of goods for the purposes I have just mentioned. It also adds certain specified goods to the list of articles which now come in free of duty when for use by afflicted or handicapped persons. There is also some broadening of the duty free entry privileges for hospitals.

Effect of Budget Changes

The several proposals I have outlined will leave the total revenue position for the current fiscal year changed by only a very small percentage. Taken together, I estimate their net effect to be a reduction in revenues of about \$10-15 million. The really significant change, however, is that there is a shift in the overall impact of the budget to ensure that it will be as effective as possible in its restraint upon price and cost increases, especially in areas where they are more prevalent.

A further budgetary provision will also be appropriate under present circumstances. The final accounting for Expo '67 has now been carried out, and arrangements made for the settlement of the operating deficits incurred by the Expo Corporation, which Parliament will be asked to approve by legislation. The federal share of this deficit amounts to about \$125 million, and I propose that this amount be written off completely as a budgetary charge during the current fiscal year.

Some hon. Members: Shame!

An hon. Member: The last of the big spenders!

Mr. Benson: In answer to my hon. friend, I should say the money was long ago spent. It is a matter of writing off the deficit, and not spending the money.

This will of course reduce the surplus on budgetary account, but will not affect our cash position. After the adjustment, the net budgetary surplus now foreseen for 1969-70 thus stands at some \$250 million.

Federal-Provincial Relations

I should like to turn now briefly to the question of federal-provincial fiscal relations, and to the overall position of the public sector of the economy. The problems of joint occupancy of tax fields by the federal and provincial governments have continued to be the subject of vigorous debate. In our discussions with the provinces during the past winter, we have had to reiterate the firm view that the federal government cannot go on abating its taxes in order to provide painless revenues to the provinces. We have had to keep in mind both the rapid growth of our own expenditure commitments and the fact that our over-riding responsibility for stabilization policy makes it necessary for us to be able to make rapid and significant changes in income taxes. We must always bear in mind, also, the fundamental principle of the responsibility of governments to account to those who elect them.

At the same time, both to minimize inconvenience to the taxpayers and to maintain as much consistency, co-ordination and efficiency in tax policy as possible, we have renewed and widened the tax collection agreements with nine of the provinces. Under these agreements, we collect the great bulk of provincial personal and corporation tax—to an amount estimated for this year at about \$1,500 million—at no financial cost to the provinces. They in turn agree to accept the federal definitions of taxable income, exemptions and the basic rate structure. But they are free to impose rates higher than the standard abatement at their own discretion.

• (9:00 p.m.)

At least six of the provinces have taken advantage of the flexibility provided in the agreements.

We have also discussed at length in a number of forums the existing co-operative arrangements in the major shared-cost programs for health insurance, welfare assistance and post-secondary education. While recognizing to the full the importance of these programs, reflecting as they do a liberal social

conscience and the value of investment in human resources, both the provinces and ourselves cannot but be troubled by the extremely rapid growth of the expenditures involved. We have all been attempting to find ways to control costs and to improve the efficiency and productivity of these services as well as elsewhere.

As Honourable Members know, these questions were also discussed at the Constitutional Conference in February, and steps have now been taken toward a further formal review under the aegis of a re-activated federal-provincial Tax Structure Committee. One of the most important elements in these further discussions will be to determine how the arrangements now in effect for co-ordination in the income tax fields will be affected by the program of tax reform. Obviously, I am looking forward to the closest possible consultation and collaboration with the provinces in this vital regard over the months ahead.

I should add as well, Mr. Speaker, that despite the vigour of our debate with the provinces, I am much encouraged by the evidence of closer consultation and co-ordination in fiscal policy. The need for restraint and a better balance in government budgets at all levels was an important focus of discussion at the economic and fiscal outlook meeting of the Ministers of Finance and Provincial Treasurers last December. Subsequently, with few exceptions, the budgets brought down in provincial legislatures in the early spring reflected the most strenuous efforts on the part of the provinces to improve or maintain budgetary balance.

As a result, it is now apparent that the overall impact of federal and provincial budgets upon the economy in 1969-70 will be strongly anti-inflationary. To some extent this is offset by normal capital borrowing at the municipal level. For the government sector as a whole, however, it now appears that a deficit of about \$200 million, measured on the basis of the national economic accounts, in calendar 1968, will be transformed into a surplus of the order of \$300 million this calendar year. This is entirely apart from the revenues and accompanying investment funds, totalling over \$1 billion in calendar 1969, made available for provincial-municipal capital borrowing through the Canada and Quebec Pension Plans. For the federal government alone, the change is from a revised estimated deficit in 1968-69 of about \$100 million to an estimated surplus of over \$575 million in 1969-70, again on a national accounts basis.

At this point, Mr. Speaker, I would like to have the permission of the House to insert two small tables in Hansard. One would indi-

cate the change in revenues, expenditures, and surplus between the estimates of October last and the revised estimates. The second gives the estimated yield of the main categories of taxes in 1968-69, and before and after tax changes in 1969-70.

I should also like to include with the Budget Papers at the conclusion of this speech, with the agreement of the House, revised ta-

bles and explanatory notes giving the budget for 1968-69 and 1969-70 on a national economic accounts basis, and a reconciliation with the budgetary accounts.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Editor's Note: The tables above referred to are as follows:*]

FORECASTS OF BUDGETARY TRANSACTIONS FOR 1969-70 IN THE OCTOBER, 1968 BUDGET AND IN THE PRESENT BUDGET
(\$ million)

	October, 1968 Budget	Present Budget after Tax Changes
Revenues.....	11,675	12,025
Expenditures.....	11,670	11,650
Expo '67 Write-off*.....	—	125
Surplus.....	5	250

*Federal share of the deficit of the Canadian Corporation for the 1967 World Exhibition.

BUDGETARY AND OLD AGE SECURITY REVENUES
(\$ million)

Budgetary Revenues	1968-69 Preliminary	1969-70 Before Tax Changes	Tax Changes	1969-70 After Tax Changes
Personal income tax.....	3,422	4,480	+20	4,500
Corporation income tax.....	2,030	2,440	+ 5	2,445
Non-resident tax.....	206	220		220
Estate Tax.....	112	110		110
Customs duties.....	760	800	-47	753
Sales tax.....	1,572	1,680	- 3	1,677
Other duties and taxes.....	886	970		970
Total taxes.....	8,988	10,700	-25	10,675
Non-tax revenues.....	1,181	1,340	+10	1,350
Total budgetary revenues.....	10,169	12,040	-15	12,025
Old Age Security Revenues				
Personal income tax.....	915	1,045	—	1,045
Corporation income tax.....	183	225	—	225
Sales tax.....	522	570	—	570
Total old age security revenues.....	1,620	1,840	—	1,840

Extra-Budgetary Requirements and Sources of Finance

Mr. Benson: Mr. Speaker, I wish to turn now to discuss our extra-budgetary requirements for this fiscal year and the means of meeting them. It may be recalled that last October I indicated that our net extra-budgetary requirements, apart from foreign exchange transactions, would probably be in the neighborhood of \$600-700 million. While it remains difficult to forecast these requirements with precision, because they are the differences between large totals, I now forecast

these extra-budgetary requirements, exclusive of any foreign exchange requirement, at \$650 million, or exactly in the middle of my former estimate. This includes the disbursement of the \$111 million charged to the special contingency vote in the previous fiscal year on salaries which of course has to be taken account of this year as an extra-budgetary cash item. The main requirement is something over \$1.3 billion for loans and advances for housing, farm credit, power projects,

crown corporation investments and many other accounts. These in turn are offset by substantial non-budgetary receipts.

These non-budgetary requirements for the current year will be financed in considerable part by the budgetary surplus which I have forecast at \$375 million, before the write-off of the Expo deficit, which will give rise to another non-budgetary offset. It will also be possible to finance part of requirements by some rundown in our cash balances, although in view of the many contingencies to which we are exposed I would like to end the fiscal year with as little reduction below end balances in 1968-69 as capital market conditions will permit. It is also my expectation that the employment situation will be such that the government will be selling some non-marketable bonds to the Unemployment Insurance Commission.

As I have indicated, however, the \$650 million forecast for these extra-budgetary requirements excludes any amount for foreign exchange acquisitions. It would probably be prudent to assume that we will need some modest amount for this purpose. On the whole I would think that we will probably need to raise \$200 or 300 million over the year as a whole, and more if the foreign exchange acquisitions are substantial. Plans are under way for a vigorous Canada Savings Bond campaign this fall. Prior to that campaign, however, it may be necessary for the government to raise new funds temporarily through the sale of marketable bonds or

Treasury Bills offsetting in part the redemptions of Canada Savings Bonds which normally occur between campaigns.

Mr. Speaker, I think the message of this budget should come through fairly loud and clear. It is not simply an effort to balance our accounts. It is certainly not calculated to increase the popularity of the Minister of Finance. Rather it is intended to show that we really mean business in the fight against inflation. Along with other countries we face now a truly unusual economic situation that will put to the test the willingness and ability of Canadians to use the modern tools of fiscal management in guiding our economy along a path of balanced growth and sustainable high levels of employment. To accomplish that we must not give way to the temptation of letting prices go on rising with all the injustice and destruction that will cause, and the hardships it will cause to the people who have least opportunity in our country. This, Mr. Speaker, is the real objective and impact of the budget. For that reason I am confident that it will commend itself to all Canadians who are truly concerned for the real economic health and progress of our country.

Some hon. Members: Hear, hear.

Mr. Benson: Mr. Speaker, pursuant to section (1) of Standing Order No. 60 I wish to lay on the Table of the House copies in English and French of notices for ways and means resolutions referred to in my budget statement.

**FEDERAL GOVERNMENT REVENUE AND EXPENDITURE
ON NATIONAL ACCOUNTS BASIS**

	1967-68	1968-69 Preliminary	1969-70 Forecast after tax changes
	(millions of dollars)		
A. Revenue			
1. Direct taxes, persons.....	3,750	4,455	5,646
2. Direct taxes, corporations.....	1,670	2,065	2,235
3. Withholding taxes.....	226	205	220
4. Indirect taxes.....	3,684	3,822	4,010
5. Investment income.....	836	950	1,134
6. Employer and employee contributions to social insurance and government pension funds.....	728	890	1,065
7. Total revenue.....	10,894	12,387	14,310
B. Expenditure			
1. Goods and services: defence.....	1,816	1,816	1,873
2. Goods and services: others.....	2,513	2,875	3,312
3. Transfers to persons.....	3,021	3,388	3,645
4. Interest on public debt.....	1,270	1,442	1,602
5. Subsidies.....	398	394	394
6. Capital assistance.....	72	63	89
7. Transfers to other levels of governments.....	2,137	2,476	2,820
8. Total expenditure.....	11,227	12,454	13,735
C. Surplus (+) or Deficit (-).....	-333	-67	+575

NOTE: At the time of the October budget, the federal government deficit for 1968-69 was forecast at \$675 million on a budgetary basis and at \$435 million on a national accounts basis. Whereas the budgetary deficit for 1968-69 is now estimated at \$566 million (a reduction of \$109 million) the deficit on a national accounts basis is forecast at \$67 million (a reduction of \$368 million). Over and above the budgetary reduction of \$109 million, two factors mainly account for the additional \$259 million national accounts reduction. Firstly, corporate profits have been revised upward resulting in an increase of \$147 million in corporate tax liabilities over a \$3 million adjustment to corporate tax collections and old age security taxes. A reallocation of corporate cash flows between profits, and capital cost allowances accounts for that revision. Secondly, the Supplementary Estimates tabled on February 24, 1969 provided for the establishment of a reserve for contingency and its unexpended balance at the end of fiscal year 1968-69, \$111 million, was credited to the liability account "contingency for salary revision". Whereas this transaction represents a budgetary charge, it is not regarded as an expenditure on a national accounts basis.

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FEDERAL GOVERNMENT REVENUE
PUBLIC ACCOUNTS AND NATIONAL ACCOUNTS RECONCILIATION

	1967-68	1968-69 Preliminary	1969-70 Forecast after Tax Changes
	(millions of dollars)		
1. Budgetary revenue.....	9,029	10,169	12,025
<i>Deduct:</i>			
2. Budgetary return on investment.....	-612	-693	-815
3. Post Office revenue.....	-282	-305	-370
4. Other non-tax budgetary revenues.....	-119	-183	-165
	(-1,013)	(-1,181)	(-1,350)
5. Corporate income tax, excess of accruals (+) over collections (-)	-151	-148	-434
<i>Add:</i>			
Extra-budgetary funds revenue:			
6. Old age security taxes.....	1,495	1,620	1,840
7. Unemployment insurance fund—employer-employee contributions.....	346	440	500
8. Government pension funds—employer-employee contributions..	382	450	565
9. Prairie Farm Assistance Act levies.....	11	9	10
	(2,234)	(2,519)	(2,915)
Government investment income:			
10. Interest on loans, advances and investments.....	352	375	447
11. Interest receipts on social insurance and government pension funds.....	235	255	288
12. Profits before taxes (net of losses) of government business enterprises.....	249	320	399
	(836)	(950)	(1,134)
13. Miscellaneous ⁽¹⁾	-41	78	20
14. Total revenue, national accounts basis.....	10,894	12,387	14,310

⁽¹⁾These miscellaneous adjustments represent revenues from miscellaneous direct and indirect taxes and adjustments for the supplementary period. In the National Accounts, revenues in the supplementary period are shifted into the following fiscal year.

FEDERAL GOVERNMENT EXPENDITURE
PUBLIC ACCOUNTS AND NATIONAL ACCOUNTS RECONCILIATION

—	1967-68	1968-69 Preliminary	1969-70 Forecast
	(millions of dollars)		
1. Budgetary expenditure.....	9,824	10,735	11,650
2. Expo 67 Write-off.....			125
<i>Deduct:</i>			
3. Budgetary transfers to funds and agencies ⁽¹⁾	-696	-717	-756
4. Post Office expenditure.....	-301	-347	-360
5. Deficit of government business enterprises.....	- 83	- 79	- 76
6. Reserves and write-offs.....	- 33	-144	- 33
7. Expo 67 Write-off.....	—	—	-125
8. Purchase of existing capital assets.....	- 5	- 12	- 10
9. Budgetary revenue items off-set against budgetary expenditure ⁽²⁾	-120 (-1,238)	- 90 (-1,389)	- 90 (-1,450)
<i>Add:</i>			
Extra-budgetary funds expenditure:			
10. Old age security benefits.....	1,387	1,544	1,735
11. Unemployment insurance benefits.....	389	463	500
12. Government pensions.....	139	149	162
13. Prairie farm emergency payments.....	9	7	8
	(1,924)	(2,163)	(2,405)
14. Expenditure of government funds and agencies ⁽¹⁾	608	747	784
15. Miscellaneous ⁽³⁾	109	198	221
16. Total expenditure, national accounts basis.....	11,227	12,454	13,735
17. Surplus (+) or deficit (-), national accounts basis.....	-333	- 67	+575
18. Surplus (+) or deficit (-), budgetary basis.....	-795	-566	+375
19. Expo 67 Write-off.....	—	—	-125

⁽¹⁾In the national accounts, budgetary appropriations to various funds and agencies are replaced by the expenditure actually made by these funds and agencies.

⁽²⁾This item mainly consists of revenue from sales of goods and services by the government. These sales appear as final expenditure of the private sector and are deducted to avoid double counting.

⁽³⁾This item includes the supplementary period adjustment. In the national accounts, expenditure on goods and services in the supplementary period are divided between adjacent fiscal years; most other expenditure are shifted entirely to the next fiscal year.



House of Commons
CANADA

WAYS AND MEANS BUDGET RESOLUTIONS

Presented to the House of Commons

by

The Honourable Edgar J. Benson
Minister of Finance

Tuesday, June 3, 1969.

NOTICE OF WAYS AND MEANS MOTION

AN ACT TO AMEND THE INCOME TAX ACT

That it is expedient to introduce a measure to provide that the surtax imposed on individuals and corporations by Part IA of the Income Tax Act be applicable in the case of individuals to the 1970 taxation year and in the case of corporations to taxable income earned in 1970.

NOTICE OF WAYS AND MEANS MOTION

CUSTOMS TARIFF AND EXCISE TAX ACT

CUSTOMS TARIFF

1. That section 11 of the *Customs Tariff* be amended by repealing subsection (1) thereof and by substituting therefor the following:
 11. (1) On the materials set forth in Schedule B, when used for consumption in Canada for the purpose specified in that Schedule, there may be paid, out of the Consolidated Revenue Fund, the several rates of drawback of Customs duties, other than any special duty or surtax, set opposite each item respectively in that Schedule, under regulations by the Governor in Council.
2. That each tariff item in Schedule A to the *Customs Tariff*, other than tariff item 19201-1, that contains the expressions "on and after January 1, 1970", "on and after January 1, 1971" and "on and after January 1, 1972" be amended
 - (a) by striking out the expression "on and after January 1, 1970" and the rate or rates of duty set opposite thereto;
 - (b) by striking out the expression "on and after January 1, 1971" and the rate or rates of duty set opposite thereto; and
 - (c) by striking out the expression "on and after January 1, 1972" and substituting therefor the expression "on and after June 4, 1969".
3. That tariff items 19905-1 and 65200-1 in Schedule A to the *Customs Tariff* be amended by striking out the expression "on and after January 1, 1970" contained in each such tariff item and substituting therefor the expression "on and after June 4, 1969".
4. That tariff items 7303-1, 7311-1, 13650-1, 29005-1, 40401-1 and 40402-1 in Schedule A to the *Customs Tariff* be amended
 - (a) by striking out the expression "on and after January 1, 1970" contained in each such tariff item and the rate or rates of duty set opposite thereto; and
 - (b) by striking out the expression "on and after January 1, 1971" contained in each such tariff item and substituting therefor the expression "on and after June 4, 1969".
5. That section 15 of *An Act to amend the Customs Tariff*, being chapter 12 of the Statutes of Canada 1968-69, be repealed.
6. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 30200-1, 34000-1, 34100-1, 34510-1, 41200-1, 41205-1, 41210-1, 41215-1, 41220-1, 41225-1, 42605-1, 47200-1, 47300-1, 47400-1, 47500-1, 47505-1, 47510-1, 47515-1, 47520-1, 47525-1, 53415-1, 66000-1, 66005-1 and 66010-1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rate of duty:

Tariff Item	—	Rates in Effect Prior to Rates Proposed in this Budget					
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff
34000-1	Type, chases, quoins and slugs, for use in printing...	Free	10 p.c.	20 p.c.	7½ p.c. Free	17½ p.c. Free	20 p.c. 10 p.c.
34100-1	Babbitt metal and type metal, in blocks, bars, plates and sheets.....	Free	10 p.c.	20 p.c.	Free	10 p.c.	20 p.c.
34610-1	Zinc rods: zinc shapes other than flat-rolled; all the foregoing if containing not more than ten per cent by weight of other metal or metals.....	Free	Free	10 p.c.	Free	Free	10 p.c.

34615-1	Zinc strip or sheet, ungrained, whether or not ground, for making offset plates for lithographing; zinc strip or sheet, not ground or polished, coated on one side with acid-resisting material, when imported for use by grinders and polishers, to be prepared for use in photo-engraving; all the foregoing if containing not more than ten per cent by weight of other metal or metals.....	Free	10 p.c.	Free	10 p.c.
41201-1	Printing presses, n.o.p., with an image or printing area of 374 square inches or larger; mechanical deliveries or conveyors for use with such presses; parts of the foregoing.....	Free	15 p.c.	Free Free Free 2½ p.c.	15 p.c. Free 15 p.c. 35 p.c.
41202-1	Printing presses, n.o.p., with an image or printing area of less than 374 square inches; parts of the foregoing.....	Free	10 p.c.	10 p.c. Free	15 p.c. Free
41205-1	Machines and apparatus, excluding those provided for in tariff item 41210-1, for use exclusively by, and in their capacities as printers, lithographers, bookbinders, paper or foil converters, manufacturers of stereotypes, electrotypes and printing plates or rolls, or manufacturers of articles made from paper, cardboard or foil, namely:— Machines and apparatus for making matrices, stereotypes, electrotypes or printing plates of any kind; Machines and apparatus for the preparation of plates by graining, grinding, polishing or sensitizing; Machines and apparatus, including cameras and camera equipment, lenses, prisms, camera and printing lamps, screens and vacuum frames, for transferring imagery to sensitized paper, film, plates or rolls for use in printing; Machines and apparatus for slitting, winding or rewinding, having a roll width of less than seventy-two inches;				

Rates in Effect Prior to
Rates Proposed in this Budget

Tariff Item		Rates in Effect Prior to					Rates Proposed in this Budget		
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Favoured-Nation Tariff	Most- Favoured-Nation Tariff	General Tariff	
41205-1 (Cont'd)	Gun and mould apparatus for making press rollers; Machines and apparatus for addressing or wrapping newspapers, magazines, periodicals, pamphlets and catalogues; Machines and apparatus for bookbinding, box-covering, bronzing, bundling, carbon coating, cutting, drilling, dusting, embossing or producing embossed or engraved effects, eyeletting, <i>flocking</i> , <i>folding</i> , gathering, gluing, gumming, inserting, jogging, looping, metal mounting, numbering, pasting, patching, perforating, punching, reinforcing, ruling, scoring, sewing, <i>sheet feeding</i> , sheet piling, <i>spraying for anti-offset</i> , stamping, staying, stitching, stripping, tubemaking, tying, varnishing, or waxing; Parts of all the foregoing.....	Free	Free	15 p.c.	Free	Free	Free	10 p.c. 15 p.c. 35 p.c. Various	
41210-1	<i>Machines and apparatus for use in the manufacture of manyfold business forms, namely:— Rotary web fed rubber plate and offset printing presses, and printing units therefor; Feed-in units; Numbering units; Punching units; Slating units; Perforating units; Winders or rewinders; Folders; Sheet cutting and piling units; Hot carbonizing units; Continuous forms collators; Snap set collators; Continuous forms interleavers; Crimp-lock and slitting machines;</i>								

41215-1	Stitchers;				15 p.c.
	Carbon paper processors;			10 p.c.	10 p.c.
	Parts of all the foregoing	Free	10 p.c.	Free	35 p.c.
				2½ p.c.	Free
41215-1	Machines and apparatus designed for typesetting, typesetting including phototypesetting, or for producing justified copy; machines and apparatus designed for creating or translating signals, on tape or wire or other media, for programming the automatic operation of the foregoing; typemaking accessories, n.o.p.; parts of all the foregoing; stereotypers' blankets or blanketing	Free	Free	Free	Free
			15 p.c.	Free	10 p.c.
41220-1	Articles and materials which enter into the construction and form part of the machines and apparatus entitled to entry under tariff items 41201-1, 41205-1 and 41215-1, when for use in the manufacture of such machines, apparatus and parts thereof	Free	Free	Free	10 p.c.
			15 p.c.	Free	10 p.c.
41230-1	Sheets, plates, blocks, rolls or cylinders, ground, polished or otherwise prepared for the production of printing plates, rolls or cylinders	10 p.c.	15 p.c.	15 p.c.	20 p.c.
				19 p.c.	30 p.c.
41235-1	Printing plates of all kinds, including rolls and cylinders, for the reproduction of non-advertising material in newspapers, or for printing books or music, or for printing periodical publications enjoying second-class mailing privileges the pages of which are regularly bound, wire-stitched or otherwise fastened together, not including catalogues; copper shells, bases, matrices, moulds, exposed positive or negative films and reproduction proofs, for such printing plates	Free	Free	Free	Free
			25 p.c.	Free	25 p.c.
				½ ct./sq. in.	½ ct./sq. in.
				¼ ct./sq. in.	¼ ct./sq. in.
				Various	Various
				Various	Various

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget					
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
41240-1	Stereotypes, electrotypes, and other printing plates made from moulds, n.o.p.; copper shells, bases, matrices or moulds, for such printing plates..... per square inch	1 ct.	1 ct.	1½ cts.	1 ct. Various	1 ct. Various	1½ cts. Various
41245-1	Printing plates including rolls and cylinders, n.o.p.; exposed positive or negative films and reproduction proofs, for such printing plates.....	10 p.c.	15 p.c.	25 p.c.	10 p.c. Free Various	15 p.c. 15 p.c. Various	20 p.c. 20 p.c. Various
42605-1	Machinery and apparatus enumerated in tariff item 41205-1, when for use exclusively by, and in their capacities as manufacturers of articles made from regenerated cellulose or cellulose acetate; parts of the foregoing.....	5 p.c.	5 p.c.	35 p.c.	5 p.c. Various	5 p.c. Various	35 p.c. Various
53415-1	Press blankets or blanketing, of a class or kind not made in Canada, for use with printing presses....	Free	5 p.c.	10 p.c.	Free	5 p.c.	10 p.c.
53417-1	Press blankets or blanketing, n.o.p., for use with printing presses.....	10 p.c.	15 p.c.	25 p.c.	Free Free 24 p.c. 20 p.c.	Free 10 p.c. 24 p.c. 24 p.c.	Free 15 p.c. 35 p.c. 40 p.c.

7. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* reducing the duty on goods be amended by striking out tariff items 43125-1, 43130-1, 43130-2, 43150-1 and 43155-1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget				
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff
43125-1	<p><i>Toolmakers', machinists' or metal workers' precision tools and measuring instruments, namely:</i></p> <p>Bevels; Buttons; Calipers; Clamps, including key seat clamps and rule clamps; Dividers; Gauges, including thickness gauges in roll form; Micrometers; Parallels; Plumb bobs, mercury; Protractors; Punches, automatic centre; Scribers; Speed indicators, hand; Squares; Straight edges; Trammels; Verniers; Vises;</p> <p><i>Toolmakers', machinists' or metal workers' precision tools and measuring instruments, n.o.p.;</i></p> <p>Parts of all the foregoing.....</p>	—				
		Free	9 p.c.	20 p.c.	Free	9 p.c.
						10 p.c.
43130-1	<p>Engineers', surveyors' or draftsmen's precision instruments and apparatus, namely:</p> <p>Alidades; Altazimuths; Aneroid barometers; Boards, military sketching; Clinometers; Compasses; Cross staff heads; Curves, adjustable, irregular, railroad and ship; Curvimeters; Dipping needles;</p>					

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget			
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	General Tariff
43130-1 (Cont'd)	<i>Distance measuring apparatus using light, radio or sound waves;</i> Drafting instruments of all kinds; Drafting machines; <i>Engineering lasers;</i> <i>Gyro converters;</i> Heliographs; Integrators; Levels; Liners, section; Meters, portable for hydraulic engineering; Pantographs; Parallel rules; Parallel ruling attachments; Pedometers and paceometers; Plane tables, military and topographic; Planimeters; Poles, ranging; Prisms, angle; Protractors; Rods, levelling; Scales, flat and triangular; Sextants; Slide rules; Splines; Straight edges; <i>Subense bars;</i> Tacheometers; Tallying machines, pocket; Tee squares; Telemeters;				

Theodolites;

• Transits;

Traversing targets;

Triangles of all types;

Parts, *attachments*, tripods, *base plates* and *fitted cases* for all the foregoing.....

Free
5 p.c.
20 p.c.
9 p.c.
10 p.c.
5 p.c.
7½ p.c.
30 p.c.
28 p.c.
Free
Free
Free
Free

43150-1 Geophysical precision instruments and equipment of a class or kind not made in Canada;

Parts, *attachments*, tripods, *base plates* and *fitted cases* for all the foregoing.....

Free
Free
20 p.c.
Free
30 p.c.

43155-1 Photogrammetric instruments and equipment for use in the interpretation of photographs and in the preparation of maps and plans from photographs, including the following: stereoscopes, binoculars for use with stereoscopes, parallax bars, height finders, contour finders, sketchmasters, slotted template equipment and accessories for use with any of the foregoing; stereoscopic plotting instruments and equipment of either optical-mechanical or projector type, including such accessories as plotting and tracing tables whether electrically mechanically or remotely operated, optical instruments for preparing diapositive plates, voltage regulators and electrical transformers, cooling systems, lamps, spectacles, filters, height gauges, principal point selectors and other components for use with the foregoing equipment; all the foregoing of a class or kind not made in Canada and parts and fitted cases for any of the foregoing

Free
Free
20 p.c.
5 p.c.
20 p.c.

8. That Schedule A to the *Customs Tariff* and each order in Council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 46200-1, 47600-1, 47602-1, 47605-1, 47610-1, 47805-1, 47810-1, 47815-1, 47900-1, 48000-1, 48005-1, 48100-1, 48105-1, 48600-1, 51100-1, 51100-6, 69605-1, 69610-1 and 69625-1, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget					
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
46200-1	<i>Instruments for observation, measurement, experimentation or demonstration in respect of natural phenomena, n.o.p.; photographic, mathematical and optical instruments, n.o.p.; speedometers, cyclometers and pedometers, n.o.p.; parts of all the foregoing.....</i>	2½ p.c.	15 p.c.	30 p.c.	2½ p.c.	15 p.c.	30 p.c.
47600-1	<i>X-ray apparatus and X-ray film; microscopes, illuminating devices and stands for use therein; the following surgical, dental, veterinary and diagnostic articles: instruments; sterilizers; cobalt-therapy units; anaesthesia, surgical suction and oxygen administering apparatus including motive power and wall outlets but not piping systems. Parts of all the foregoing; electric light lamps designed for use with all the foregoing; portable cases and containers for all the foregoing.....</i>	Free	Free	Free	Free	Free	Free 30 p.c. 35 p.c. 40 p.c. Various

47605-1 Operating room lights designed to minimize shadow, not including bulbs, of a class or kind not made in Canada; chairs and tables for surgical operating purposes; infant incubators; infant and patient medical-alert or identification devices including beads, tapes and ribbons of any material, cases therefor and equipment for their application; electrocardiographs, paper and sensitized film for use therein; apparatus for sterilizing purposes, including bedpan washer-sterilizers but not in-

cluding washing nor laundry machines; parts of all the foregoing; electroencephalographic paper. All for the use of any public hospital, under such regulations as the Minister may prescribe.....

Free
20 p.c.
26½ p.c.
35 p.c.
Various

Free
20 p.c.
19 p.c.
10 p.c.
Various

Free
20 p.c.
10 p.c.
Various

Free

Free

Free

Artificial limbs, with or without power, and all accessories and devices therefor; spinal and other orthopedic braces; parts of the foregoing.....

Free
30 p.c.
15 p.c.
15 p.c.
Various

Free
15 p.c.
2½ p.c.
15 p.c.
Various

Free
15 p.c.
2½ p.c.
Various

Free

Free

Free

Aural, nasal, mastectomy and other medical or surgical prostheses; materials for use in reconstructive surgery; ileostomy, colostomy and urinary appliances or articles other than infants' pants and diapers, designed to be worn by an individual; materials and articles required therewith for proper application and maintenance.....

Free
50 p.c.
35 p.c.
35 p.c.

Free
26½ p.c.
25½ p.c.
20 p.c.

Free
20 p.c.
21½ p.c.
10 p.c.

Free

Free

Free

Auxiliary driving control kits and other equipment designed for attachment to motor vehicles to facilitate their operation by physically disabled persons; parts of the foregoing.....

Free
30 p.c.
30 p.c.
35 p.c.
Various

Free
15½ p.c.
19 p.c.
Various

Free
Free
10 p.c.
Various

Free

Free

Free

Boots, shoes and appliances for an individual with a defective or abnormal foot or ankle when made to order for the individual or when purchased on the written order of a registered medical practitioner.....

Free

Free

Free

Free

Free

Free

Invalid chairs, commode chairs, walkers and all other aids to locomotion, with or without wheels; motive power and wheel assemblies therefor; toilet, bath and shower seats; all specially designed for the disabled; accessories and attachments for all the foregoing:

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget				
		British Preferential Tariff	Most- Favoured-Nation Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
47885-1	<i>Of a class or kind made in Canada; parts thereof . . .</i>	Free	10 p.c.	Free	10 p.c. 19 p.c. Various	15 p.c. 30 p.c. Various
47886-1	<i>Of a class or kind not made in Canada; parts thereof</i>	Free	Free	Free	10 p.c. 19 p.c. Various	15 p.c. 30 p.c. Various
47880-1	Artificial larynges; devices for amplifying speech to audible volume; devices for the audible or visual recording or reproduction of speech or attempted speech, for use in training; attachments, accessories and batteries for the foregoing; parts of all the foregoing. All the foregoing when imported for the use of a mute or partially mute person, of a public hospital, or of a bona fide association or institution for the mute or partially mute, and not for sale or rental unless to those mentioned herein, under such regulations as the Minister may prescribe	Free	Free	Free	Free 15 p.c. 15 p.c. Various	Free 30 p.c. 27½ p.c. Various
47885-1	Alternating pressure mattresses; canes and crutches; ceiling projectors and prismatic glasses, for reading; oscillating beds; patient-lifters; powered feeders, powered page-turners; pressure-gradient elastic supports made to order for an individual in accordance with the written prescription of a registered physician or surgeon; attachments and accessories for the foregoing; parts of all the foregoing. All the foregoing when imported for the use of a disabled person or of a public hospital, under such regulations as the Minister may prescribe	Free	Free	Free	Free 17½ p.c. and 61 cts. per dozen pairs 26½ p.c. Various	Free 35 p.c. and \$1.50 per dozen pairs 50 p.c. Various

	Free	Free	Free	Various	Various
47900-1	<i>Materials and articles for use exclusively in the manufacture of the goods enumerated in tariff items 47600-1, 47605-1, 47805-1, 47810-1, 47815-1, 47820-1, 47836-1, 47830-1 and 47835-1.....</i>				
51100-1	Golf clubs and finished parts thereof; racquets and racquet frames and baseball bats; balls of all kinds for use in sports, games or athletics. n.o.p..	15 p.c.	20 p.c.	35 p.c.	Various
51125-1	Walking sticks and walking canes of all kinds, n.o.p....	15 p.c.	20 p.c.	35 p.c.	35 p.c.
69590-1	Motion picture films and filmstrips, with or without sound recording, for deposit as archives and for exhibition without commercial purpose, under such regulations as the Minister may prescribe.....	Free	Free	1½ cts. per linear foot 1½ cts. per linear foot (30 p.c. max.)	3 cts. 3 cts. (30 p.c. max.)
69605-1	Scientific apparatus (and ancillary equipment thereto), utensils, instruments, and preparations, including boxes and bottles containing them; glassware for laboratory or scientific uses; maps, charts, motion picture films, filmstrips, microfilms, slides and other photographic reproductions and pictorial illustrations; pamphlets and magazines; reproductions of works of art; sound recordings and video tape recordings; stencils and cards specially designed for the preparation of library index cards; models, static or moving; animals as research or experimental subjects; living plants, seeds, cuttings, buds, scions, tubers, bulbs and root-stock; mechanical equipment not otherwise enumerated in this item when of a class or kind not made in Canada, parts of all the foregoing. All the foregoing when for the use of any society or institution incorporated or established solely for religious, educational, scientific or literary purposes, or for the encouragement of the fine arts (namely architecture, sculpture, painting, engraving and music), or for the use of any public hospital, public library, public museum, university, college, academy, school or seminary of learning in Canada and not for sale or rental unless to those mentioned herein, under such regulations as the Minister may prescribe.....				
	Free	Free	Free	Free	Free

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget					
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
69610-1	Materials and articles for use <i>exclusively</i> in the manufacture of the goods enumerated in tariff item 69605-1.....	Free	Free	Free	Free Various	Free Various	Free Various
69625-1	Sound recordings specially made for use in the study of languages; sound recordings, <i>tape records</i> and <i>phonographs</i> for bona fide libraries, and being the property of the organized authorities of such libraries and not the property of individuals or business concerns; under such regulations as the Minister may prescribe.....	Free	Free	Free	Free 13 p.c. 10 p.c.	Free 18 p.c. 12½ p.c.	Free 28 p.c. 25 p.c.

9. That Schedule A to the *Customs Tariff* and each order in council made under section 10 of the *Customs Tariff* and section 273 of the *Customs Act* reducing the duty on goods be amended by striking out tariff items 945-1, 2705-1, 10505-1, 10540-1, 17310-1, 20620-1, 23240-1, 29655-1, 31615-1, 31905-1, 38800-1, 41001-1, 41062-1, 41305-1, 41325-1, 42835-1, 44043-1, 44047-1, 44059-1, 44300-1, 50600-3, 50600-5, 50600-6, 61625-1, 70320-1, 70321-1, 82300-1 and 93404-2, and the enumerations of goods and the rates of duty set opposite each of those items, and by inserting in Schedule A to the *Customs Tariff* the following items, enumerations of goods and rates of duty:

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget					
		British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
945-1	Feeds for use exclusively in the feeding of trout and salmon..... on and after July 1, 1970	Free 5 p.c.	Free 5 p.c.	25 p.c. 25 p.c.	Free 11 p.c.	Free 11 p.c.	25 p.c. 25 p.c.

10505-1	Lemon, lime, orange, grapefruit and citron rinds, n.o.p.....	Free	Free	Free 15 p.c.	Free 19 p.c.	Free 25 p.c.
10540-1	Oranges, grapefruit, lemons, or limes, sliced or in the form of pulp, with or without the addition of preservatives.....	Free	Free	Free 19½ p.c.	3 p.c. 22 p.c.	35 p.c. 35 p.c.
17310-1	Printed books, pamphlets, cards and sheets for use in intelligence testing; other articles and materials imported with and specially designed for use with such printed books, pamphlets, cards and sheets; cards for use in the teaching of reading or arith- metic.....	Free	Free	Free 17½ p.c.	Free 21½ p.c.	Free 35 p.c.
19946-1	Trays of pulp or pulpboard, with pockets, imported for use exclusively in the packaging of peaches and pears in their natural state.....	Free	Free	17 p.c.	19½ p.c.	35 p.c.
20620-1	Materials and articles for the manufacture of the goods specified in items 20605-1, 20610-1 and 20615-1.....	Free	Free	Free 10 cts.	Free 20 cts. 40 cts.	Free 40 cts. per gallon of the strength of proof
23240-1	Ossein for use exclusively in the manufacture of gelatine	Free	Free	Free	Free	25 p.c.
23655-1	Pyrophylite for use in Canadian manufactures.....	Free	Free	Free	Free	25 p.c.
31615-1	Glass tubing in straight lengths of not less than three feet, not coated, for use in Canadian manufactures...	Free	Free	Free	Free	10 p.c.
31905-1	Plate glass, not more than five thirty-seconds of an inch in thickness, for use in the manufacture of laminated safety glass.....	Free	5 p.c.	Free	5 p.c.	15 p.c.
34405-1	Composition foils, composed of varying percentages of lead and tin, and whether or not containing antimony	Free	Free	15 p.c.	19 p.c.	25 p.c.
35115-1	Metal alloy slugs, cast, with diamonds or diamond chips embedded therein, of any size or shape, in condition as from the mould, for use in Canadian manufactures..	Free	Free	Free	Free	Free

Tariff Item		Rates in Effect Prior to Rates Proposed in this Budget					
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff
38009-1	Sheet piling sections of iron or steel, not further manu- factured than hot-rolled, and whether or not with hand- ling holes therein.....	5 p.c.	10 p.c.	20 p.c.	5 p.c. 17 p.c.	10 p.c. 19 p.c.	20 p.c. 40 p.c.
38800-1	Foundry moulding flasks and jackets for use there- with; parts and attachments or accessories for the foregoing.....	Free	Free	35 p.c.	Free 10 p.c. 15 p.c. 17 p.c.	Free 19 p.c. 19 p.c. 18 p.c.	35 p.c. 35 p.c. 30 p.c. 25 p.c.
	Bits and augers of all kinds; Drills of all kinds, not including those drilling rigs entitled to entry under tariff item 49103-1; Fishing tools, n.o.p.; Reamers, stabilizers, and combinations thereof, n.o.p.; All the foregoing for use in the exploration or drill- ing for water, oil, natural gas or minerals, or in mining or quarrying:						
41001-1	Of a class or kind made in Canada; parts thereof.....	5 p.c.	15 p.c.	25 p.c.	5 p.c. 10 p.c.	15 p.c. 19 p.c.	25 p.c. 35 p.c.
41002-1	Of a class or kind not made in Canada; parts thereof.....	Free	Free	Free	Free 10 p.c.	Free 19 p.c.	Free 35 p.c.
41305-1	Machinery and apparatus, of a class or kind not made in Canada, and parts thereof, for preparing, manufacturing, testing or finishing yarns, cord- age, and fabrics made from textile fibres or from paper, imported for use exclusively by manufac- turers and scholastic or charitable institutions in such processes only.....	Free	Free	10 p.c.	Free 2½ p.c. 10 p.c. Various	Free 15 p.c. 19 p.c. Various	10 p.c. 35 p.c. 35 p.c. Various

41525-1	Sewing machines, <i>not to include industrial sewing machines</i> , with or without motive power incorporated therein; parts thereof.....	5 p.c.	15 p.c.	25 p.c.	5 p.c. 10 p.c. Various	15 p.c. 19 p.c. Various	25 p.c. 35 p.c. Various
42835-1	Governors, <i>n.o.p.</i> , and parts thereof, for use in the manufacture <i>or repair</i> of diesel locomotives.....	Free	7½ p.c.	30 p.c.	Free Free Free	7½ p.c. 10 p.c. 18 p.c.	30 p.c. 20 p.c. 30 p.c.
44043-1	Aircraft, not including engines, under such regulations as the Minister may prescribe: When of types or sizes not made in Canada..... on and after July 1, 1971	Free Free	Free 7½ p.c.	27½ p.c. 27½ p.c.	Free Free	Free 7½ p.c. (On and after July 1, 1969)	27½ p.c. 27½ p.c.
44047-1	Aircraft engines, when imported for use in the equipment of aircraft: When of types or sizes not made in Canada..... on and after July 1, 1971	Free Free	Free 7½ p.c.	27½ p.c. 27½ p.c.	Free Free	Free 7½ p.c. (On and after July 1, 1969)	27½ p.c. 27½ p.c.
44059-1	Auxiliary power units; Batteries; Bolts, cocks, cotter pins, eyelets, nuts, pins, rivets, screws, turnbuckles and clevis, washers; Brakes, with related operating gear; Carburetors; Direct or inertia starters with or without related operating gear; Distributors; De-icing and anti-icing equipment; Electric generators; Electric lamps; Exhaust gas analyzers; Fittings and couplings; Fuel pressure warning devices; Forgings and castings; Hinges; Hydraulic jacks; Hydraulic pumps; Ignition coils; Instruments;						

Tariff Item	—	Rates in Effect Prior to Rates Proposed in this Budget					
		British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
44059-1 (Cont'd)	Landing and navigation lights; Magnetos; Oil coolers; Pressure fire extinguishers; Primer pumps; Propellers and helicopter rotors; Radio for navigation and air traffic communication; Seats; <i>Shapes or sections, rolled, drawn or extruded, and bars, rods, tubes, plate, sheet and strip of any metal or alloy thereof;</i> Spark plugs; Swaged wires and tie rods; Tires and tire inner tubes; Vacuum pumps with related operating gear; Voltage control boxes; Wheels; Parts of all the foregoing; All of the foregoing when of types or sizes not made in Canada and for use in aircraft, aircraft engines, airborne aircraft equipment, or parts of aircraft, aircraft engines, or airborne aircraft equip- ment.....	Free	Free	27½ p.c.	Free Various	Free Various	27½ p.c. Various
44300-1	Apparatus, and parts thereof, for cooking or for heating buildings, not to include commercial food processing machines, namely, continuous pressure and atmospheric pre-heaters and cookers, and parts thereof, for sterilizing or for cooking or for both ster- ilizing and cooking food products in hermetically sealed containers.....	15 p.c.	20 p.c.	30 p.c.	15 p.c.	21½ p.c.	30 p.c.
44623-1	Electron beam welding machines and laser beam micro- welding machines.....	5 p.c.	10 p.c.	30 p.c.	5 p.c.	18 p.c.	30 p.c.

other person or for sale, and declared by him at the time of his return to Canada, under such regulations as the Minister may prescribe:

70310-1

Valued at not more than twenty-five dollars (including alcoholic beverages not exceeding *forty ounces*, and tobacco not exceeding fifty cigars, two hundred cigarettes and two pounds of manufactured tobacco) and included in the baggage accompanying the resident of Canada returning from abroad after an absence from Canada of not less than forty-eight hours.....

Free

Free

Free

Free

Free

Free

A resident of Canada shall not be entitled to the exemption granted under this item more often than once in each calendar quarter, that is in each quarterly period in a year beginning on January 1, April 1, July 1 and October 1, respectively.

70311-1

Valued at not more than one hundred dollars (including alcoholic beverages not exceeding *forty ounces*, and tobacco not exceeding fifty cigars, two hundred cigarettes and two pounds of manufactured tobacco) and included in the baggage accompanying the resident of Canada returning from abroad after an absence from Canada of not less than twelve days.....

Free

Free

Free

Free
VariousFree
VariousFree
Various

Goods (other than alcoholic beverages, cigars, cigarettes and manufactured tobacco) acquired in any country beyond the continental limits of North America may be entered under this item although they are not included in the baggage accompanying the returning resident if they are declared by him at the time of his return to Canada.

The exemption granted under this item shall be extended only to a resident who, upon his return to Canada, establishes in such form and manner as the Minister may specify by regulation that he has been abroad for a minimum period of twelve days, which form and manner may differ according to the country visited or the mode of travel used.

Rates in Effect Prior to
Rates Proposed in this Budget

Tariff Item	British Preferential Tariff	Most- Favoured- Nation Tariff	General Tariff	British Preferential Tariff	Most- Favoured-Nation Tariff	General Tariff
<p><i>A resident of Canada shall not be entitled to the exemption granted under this item more than once in a calendar year and he shall not be entitled, with respect to the same trip abroad, to claim an exemption under tariff item 70310-1 if he claims an exemption under this item.</i></p>						
70312-1	25 p.c.	25 p.c.	25 p.c.	Various	Various	Various
<p><i>Valued at not more than one hundred dollars (not including goods otherwise allowed duty-free entry into Canada, nor alcoholic beverages, cigars, cigarettes and manufactured tobacco) and included in the baggage accompanying the resident of Canada returning from abroad after an absence from Canada of not less than forty-eight hours.</i></p>						
70313-1	Free	Free	Free	Various	Various	Various
<p><i>Valued at not more than five dollars (not including alcoholic beverages, cigars, cigarettes and manufactured tobacco) and included in the baggage accompanying the resident of Canada returning from abroad after an absence from Canada of not less than forty-eight hours.</i></p>						

The exemption granted under this item shall be extended only to a resident who, at the time of his return to Canada, is not entering any other goods under any other item of this heading (or under tariff items 70310-1 or 70315-1 until January 1, 1970).

Goods entitled to entry under any item of this heading shall be exempt from all other imposts notwithstanding the provisions of this Act or any other Act.

The Minister by regulation may, notwithstanding any other provision in customs legislation relating to the entry of goods, excuse a returning resident of Canada from any requirement for making a written declaration or entry with respect to goods entitled to entry under any item of this heading.

The Governor in Council may, by order, on the recommendation of the Minister of Finance, reduce the maximum value of goods that are entitled to entry under any item of this heading but every order made pursuant to this authority shall be published in the Canada Gazette, and shall cease to have any force or effect on the 180th day following its making or, if Parliament is not then in session, on the 15th day after the commencement of the next ensuing session, unless, before that day, the order is approved by resolution adopted by both Houses of Parliament.

11. That the heading to the column in Schedule B to the *Customs Tariff* entitled "Portion of Duty (not including Special Duty or Dumping Duty) payable as Drawback" be amended by striking out the expression "not including Special Duty or Dumping Duty".
12. That any enactment founded upon paragraphs 1 to 9 inclusive and paragraph 11 of this motion shall be deemed to have come into force on the 4th day of June, 1969 and to have applied to all goods mentioned in the said paragraphs imported or taken out of warehouse for consumption on or after that day, and to have applied to goods previously imported for which no entry for consumption was made before that day.
13. That any enactment founded upon paragraph 10 of this motion shall come into force on the 1st day of January, 1970, with the exception of items 70312-1 and 70313-1 which shall be deemed to have come into force on the 4th day of June, 1969.
14. That a consequential amendment be made to the *Excise Tax Act* by providing that the reference in Part VII of Schedule III to the *Excise Tax Act* to tariff items 47600-1, 47815-1 and 69605-1 be read and construed as a reference to these items as they read immediately before June 4, 1969.

BUDGET PAPERS

presented by

the Honourable Edgar J. Benson, M.P.,

Minister of Finance

for the information of Parliament

FOREWORD

The purpose of these Papers is twofold:

1. to present a general economic review of 1968 and early 1969, bringing together in one place and in convenient form some of the more comprehensive indicators of economic conditions prepared by the Dominion Bureau of Statistics, the Bank of Canada and other government agencies, together with some comments;
2. to present a preliminary review of the Government Accounts for the fiscal year ending March 31, 1969.

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The tables and charts in this Budget Paper are based upon data provided by the Dominion Bureau of Statistics, the Bank of Canada and other government agencies. A few of the figures appear for the first time; others have been published elsewhere. All 1969 figures and some of those for 1968 are preliminary and subject to revision.

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PART I

ECONOMIC WHITE PAPER FOR 1969

THE CANADIAN ECONOMY: RECENT DEVELOPMENTS

Introduction

In early 1969, the Canadian economy entered its ninth year of expansion. In perspective, there had been a period of recovery from 1961 until 1964, followed by two years of overheating, a year of adjustment and slower growth in 1967, and a resumption of strong growth in 1968 which gathered momentum toward the end of the year and carried forward into early 1969. Since 1965 increases in prices have been larger than desirable, and public policy has been designed to replace inflationary expansion by balanced and sustained growth.

The slower pace of economic activity apparent early in 1967 raised some concern that the economy might be entering upon a period of recession after the acceleration of 1965 and 1966. On the basis of past experience, such concern might well have been justified. The very rapid expansion of industrial capacity during the investment boom meant that the nation's stock of capital plant and equipment was sufficient to meet current and immediately prospective demand for goods and services. Commercial inventories were high. Bottlenecks had developed in construction, and cost and price increases signalled full employment of resources in many parts of the country. The unsustainable increases which had occurred in many sectors of the economy suggested that expectations of decline would not have been unreasonable.

As the evidence came in, however, it became clear that a number of dynamic elements were at work during 1967. They proved powerful enough to maintain continued expansion in overall economic activity throughout 1967 and into 1968. Business investment declined, as expected, but the decline was only moderate and did not spread to other parts of the economy. The inventory adjustment which occurred took the form of a stabilization rather than of substantial cutbacks. The effect was orderly and spread over several successive quarters. Meanwhile, certain features of the new Bank Act and other financial changes had cleared the way for an increase in new residential construction, and housing starts rose sharply during the course of 1967. Although unemployment rose as the labour force continued to expand rapidly, employment and labour income also increased. Personal expenditures rose. Exports continued to grow in an expansive international environment.

Thus, although the year 1967 was indeed marked by a desirable correction of some imbalances the readjustment was overshadowed by further expansion in production, income and expenditure. As a result, total activity continued to advance, but at a slower pace. Expectations of recession were not confirmed by events, but the temporary slowdown in overall growth permitted some necessary cyclical corrections to take place.

In 1968, despite some strikes which affected a number of industries, the real growth of the economy again began to accelerate. By year-end the pace of advance had returned to a very high level. Among the elements which contributed, the increase in exports was a most important influence. This gain reflected both exceptionally strong demand for most of our traditional products and further rapid growth of exports of secondary manufactures; the continued rationalization of the North American automotive industry played a large part in this. Also of major importance in the renewed growth was the rapid expansion of activity in residential construction. Steadily increasing expenditures by individuals and governments contributed to the increase in overall demand, and renewed expansion of investment expenditures by the business sector now appears to be under way.

The rise in output which occurred in response to the 1968 demand growth was met to a considerable extent by rising productivity in goods-producing industries. Despite a year-over-year increase in employment, new job opportunities failed to match the still-rapid growth of the labour force. Unemployment was consequently higher than in 1967, for both men and women. In more recent months, however, the rate of unemployment has been declining although the labour force has continued to increase rapidly.

CHART 1



The pressure of costs and prices remains a major problem. Neither the 1967 slowdown nor the advance of productivity in 1968 has brought to an end the general advance in prices. Strong gains in prices late in 1968 have been followed by further substantial increases in the opening months of 1969. Rents and other housing costs are still moving upward at a rapid rate, with health and personal care items also recording large increases. New labour contract settlements, although fractionally less than in 1967, continued at high levels throughout 1968, reflecting strong collective bargaining positions, the pressure of current demand for certain kinds of labour, and expectations about future trends in general price levels.

Despite the still-excessive increase in prices, the Canadian balance of payments on current transactions achieved further substantial improvement in 1968. This was attributable to inflationary pressures in the United States which were even stronger than those in Canada, and to major strikes which increased U.S. requirements for Canadian metals. In these circumstances, demand for Canadian exports was strong, while imports, reflecting in part the stability of investment spending in Canada, did not rise as rapidly. The deficit on current account was the lowest since the early 1950s.

Financial developments

International financial disturbances and an increasingly inflationary environment and psychology combined to bring about extensive changes in financial conditions in Canada in 1968. As a result, long-term interest rates rose to record levels in the course of the year.

Interest rates began their marked rise in the late spring of 1967, in response to inflationary expectations and tightening monetary conditions in both Canada and the United States. The Canadian Bank Rate was raised from $4\frac{1}{2}$ per cent to 6 per cent during the later months of the year.

Early in 1968 a combination of factors, including concern about the international monetary system, pessimism in some quarters about Canada's competitive position in world markets, and concern about the effect on Canada of new U.S. restrictions on business investment abroad, gave rise to a severe speculative run on the Canadian dollar. Policies affecting monetary and credit conditions in Canada during the first half of 1968 were designed first to meet this threat to the value of the Canadian dollar, and subsequently to allow foreign exchange reserves to be rebuilt and to repay the foreign funds borrowed to meet the crisis. In the early part of this period, short- and long-term interest rates in Canada moved significantly higher than U.S. rates, although the forward discount on the Canadian dollar often more than offset the short-term interest differential in favour of investment in Canada. Bank Rate was raised to 7 per cent in January and $7\frac{1}{2}$ per cent in March.

In early March 1968, Canada was given complete exemption from those parts of the U.S. Balance of Payments Program administered by the U.S.

Department of Commerce and the Federal Reserve Board. This exemption, together with the calming effect in world financial markets of the establishment of the two-tier gold price system on March 17, brought to an end pressures on the Canadian dollar. A strengthening trend immediately set in and, by August, the short-term funds borrowed abroad had been repaid, the reserves had been rebuilt to their pre-crisis level, and the Canadian dollar was strong.

Several developments combined in the spring and summer of 1968 to improve the tone of securities markets in Canada. The economy had moved to a more sustainable rate of growth, the government's revised tax increases were passed by Parliament in mid-March, and there was some evidence that prices and wages were not rising as fast. International agreement on a scheme to create Special Drawing Rights and on the two-price gold system helped to stabilize the international situation. The enactment of U.S. tax increases and budgetary expenditure cuts in late June and the commencement of talks on peace in Vietnam also contributed to confidence. Short-term and long-term interest rates eased, and the chartered banks made substantial purchases of federal government bills and bonds to restore their liquidity position. Bank Rate was reduced in three stages, to 6 per cent, between early July and early September.

The modest improvement in bond prices and market psychology was short lived. As the third quarter drew to a close, it appeared that the U.S. fiscal measures passed in June were having less impact than expected. The Canadian economy continued to grow while prices maintained their advance without further improvement. The central banks of Canada and the United States both moved to reverse the monetary ease that had developed over the summer, in anticipation of the restraining impact generally expected from the new fiscal policies in both countries. By the end of the third quarter credit conditions were again tightening; yields were moving up in all sectors of the market and reached record highs for long-term bonds and mortgages. These developments, including larger-than-expected budgetary expenditures by the federal government, adversely affected Canadian financial markets. The Minister of Finance, in his October Budget, noted particularly the urgent need to check inflation, and announced a further programme of fiscal tightening to achieve a balanced budget in the 1969-70 fiscal year. Taxes were increased for the second time in 1968. In November, renewed uncertainties about the French franc and the British pound resulted in speculative funds moving out of both those countries, mainly into Germany, and from currencies into gold. These factors continued in varying degrees to affect the situation into the first quarter of 1969.

The most significant and pervasive factor influencing financial markets throughout 1968 was the inflationary psychology, a phenomenon which had been taking root in the previous three years. It had many manifestations. Despite historically high and rising yields, even at levels which appeared to anticipate a continuation of inflation, the market for long-term bonds in Canada became progressively less receptive to new issues. As a result, although Canadian governments and corporations borrowed more through the sale of bonds in

1968 than they did in 1967, net sales of bonds in Canada were down substantially. Foreign borrowings were, however, more than double the high level of 1967. The main feature of this foreign borrowing was the large-scale use for the first time of the continental European bond market, especially in Germany.

Canadian financial institutions and investment funds accelerated their move from long-term fixed income securities into shares, real estate, and money market instruments. Holdings of mortgages, however, increased significantly as the high level of interest rates attracted substantial investment flows without restraining the demand for new housing.

As common stock prices rose, stock yields fell from about 4.75 per cent in March to about 3.50 per cent at year end, or to about half the yield obtainable on long-term Government of Canada bonds. This situation reflected the accelerated move into stocks by financial institutions, funds, and individuals seeking a hedge against inflation, as well as the higher profits of Canadian and U.S. corporations. Although the new issues of corporate stocks in Canada in 1968 were slightly larger than in 1967, non-resident purchases were over three times as high, and the amount purchased by Canadians declined substantially.

THE CHANGING PRESSURES OF DEMAND

To appreciate the economic consequences of the changing pattern of supply and demand, it is helpful to divide the long period of economic expansion from 1961 to the present into four distinct periods. The first of these is the period 1961 to 1964; the second, 1965 and 1966; the third, the adjustment period of 1967; and the fourth is the period of renewed expansion since that time.

The period from 1961 to 1964 may be characterized as a period of recovery and price stability. The underemployed resources of 1961 were gradually integrated into the economy, and by the end of 1964 the Canadian economy was approaching full employment.

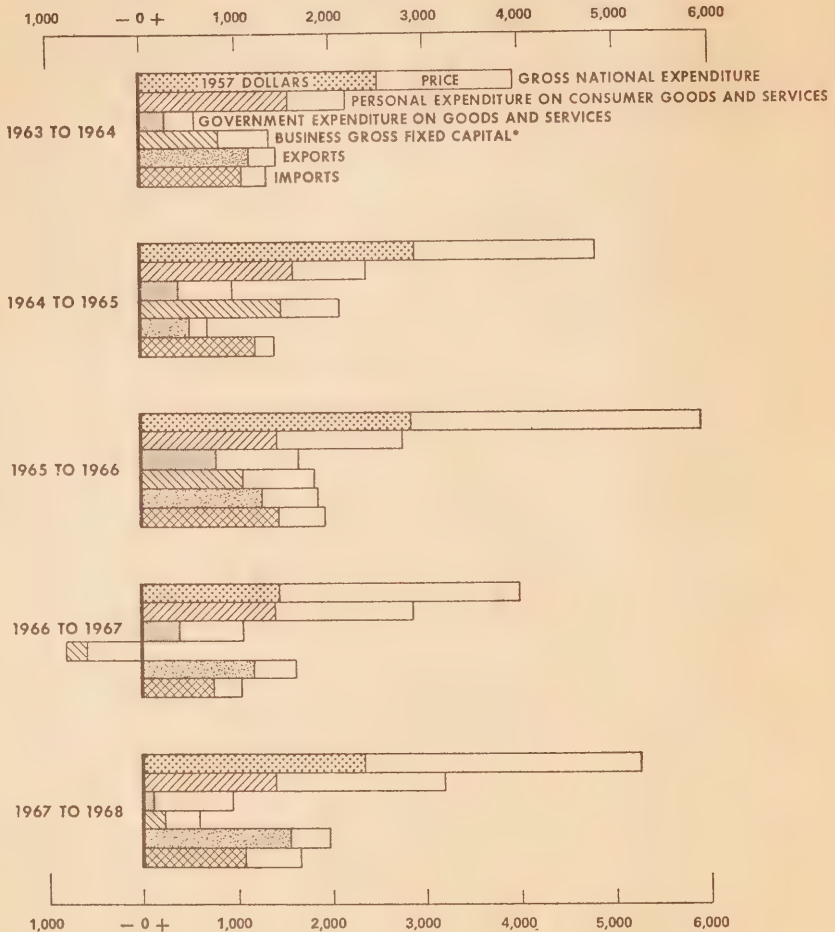
Toward the end of 1965, it became apparent that the current growth of demand pressures, if sustained, would give rise to inflationary conditions and imbalances in some or all sectors of the economy. Public economic policy, both fiscal and monetary, therefore moved to a position of restraint. But strong pressures of external demand and the momentum of earlier developments in Canada kept the economy operating at high levels of activity in 1966, as evidenced by the year-end unemployment rate of 3.6 per cent. Associated with the sustained high rate of demand growth was a 4.6 per cent rise in the overall price level in 1966 compared to 1965.

After the second quarter of 1966, partly as a result of policy restraints, the rate of growth in real Canadian economic activity abated, falling to 3.1 per cent in 1967 from 6.4 per cent in 1966. The rate of price advance also moderated after the peak year of 1966, but only slightly as cost pressures resulting from the earlier build-up of demand continued to affect the economy.

CHART 2

CHANGE IN GROSS NATIONAL EXPENDITURE

(Millions of Dollars)



*Includes change in business non-farm inventories

Personal sector

The rate of increase in personal income, after the 11 per cent rise in 1965, slowed only slightly in the following two years; the growth was still nine per cent in 1968. These sustained increases were due, in the first place, to large annual increases in labour income which reflected both employment growth and gains in average earnings. Secondly, in 1967 there was a very sharp increase in transfers from governments to individuals.

Labour income accounted for 67.5 per cent of total personal income in the first quarter of 1965 and rose to 69.8 per cent in the fourth quarter of 1968. (Labour income represents more than two-thirds of net national income). Over the same period, the nation's total pay packet increased by 45.7 per cent. Transfers to persons (excluding interest on government debt) increased, over the same period, by 68.8 per cent. These transfers, which accounted for 12 per cent of personal income in the first quarter of 1965, accounted for 14 per cent in the last quarter of 1968. Investment income has remained at around 10 or 11 per cent of total personal income throughout this period.

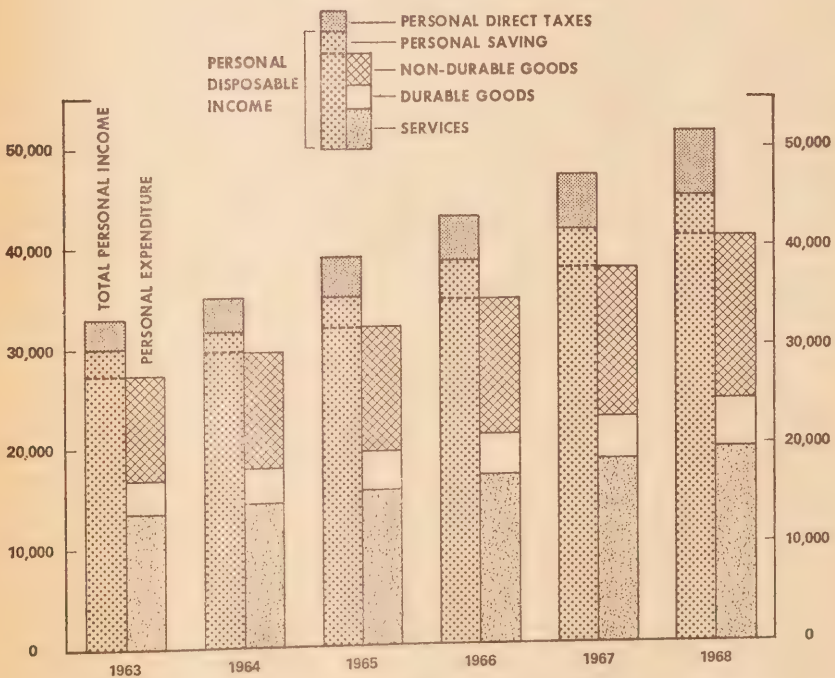
The rate of annual increase in personal disposable income, which is the income available to the individual after taxes, has declined over the past four years. In 1965, disposable income rose by nearly 11 per cent, but the annual advance has since moderated steadily and in 1968 the gain was below 8 per cent. On a per capita basis the deceleration has been somewhat greater.

Despite this trend in personal disposable income, personal expenditures on goods and services have maintained a rate of increase averaging close to 8.5 per cent per year; this rate advanced slightly during 1968. Such an increase has a substantial impact on national expenditure, as the personal sector accounts for more than 60 per cent of this total.

CHART 3

PERSONAL INCOME AND EXPENDITURE

(Millions of Dollars)



Personal expenditure on consumer durables was more erratic. In both 1966 and 1967 the increase was about 4 per cent, while in 1968 it jumped sharply to 10 per cent. In real terms, the changes were even more volatile, owing to substantial price increases in 1967, which reduced to about one per cent the real growth in consumer durable purchases. These price increases contrasted with relative price stability over a considerable preceding period. In 1968, the increase in prices was somewhat smaller.

In 1968, expenditures on non-durable goods increased by 6.5 per cent, somewhat below the level of 1967, which had been remarkably high, perhaps largely because of Expo. In the case of services, the increase was 10.5 per cent of which nearly half represented price.

As a result of the sustained advance in total money expenditures by individuals, the margin of saving in the non-farm personal sector has been declining as a percentage of disposable income. Although this ratio is still high by historical standards, its decline has reflected the expansionary influence of the personal sector since the period of adjustment in 1967.

Business sector

Corporation profits before income tax reached a peak in the first quarter of 1966, and moved erratically downward in the year that followed (see reference table 20). However, on a quarterly basis, they began to rise from early in 1967. Profits amounted to 13.5 per cent of the net national income in the first quarter of 1965 but dropped to 11 per cent in the second quarter of 1967; since then, they have been on a rising trend, reaching 12.3 per cent in the last quarter of 1968. Total profits increased strongly in 1968 as a whole, compared to the year 1967.

Profits per unit of output in the non-agricultural sector fell by 6.9 per cent in 1966 and by a further 5.6 per cent in 1967. However, they rose quite sharply in 1968 as output advanced. In the manufacturing industries, profits per unit of output have tended to increase from the low point recorded in the first quarter of 1967. The mining industry in 1968 has achieved substantial gains compared to 1967. There have been diverse tendencies in the other sectors. During 1968, profits per unit of output in the transportation, storage and communication industry have shown a further decline after a very sharp drop in 1967. However, the wholesale and retail trades groups together, after a year of virtually no gains in 1967, realized substantially higher profits in 1968, with profits per unit of output advancing more moderately.

Improvement in profits encourages increases in capital outlays, just as a decline in profits leads to some postponement of investment activity. The diminution of profits in 1966 and 1967, following the high level of growth in capital expenditures from 1961 to 1966, was followed by a levelling-off in capital spending by the business sector in 1967 and 1968. Accordingly, after the end of 1966, the stock of capital was brought into a better relationship with current production. Business investment now appears to be rising again.

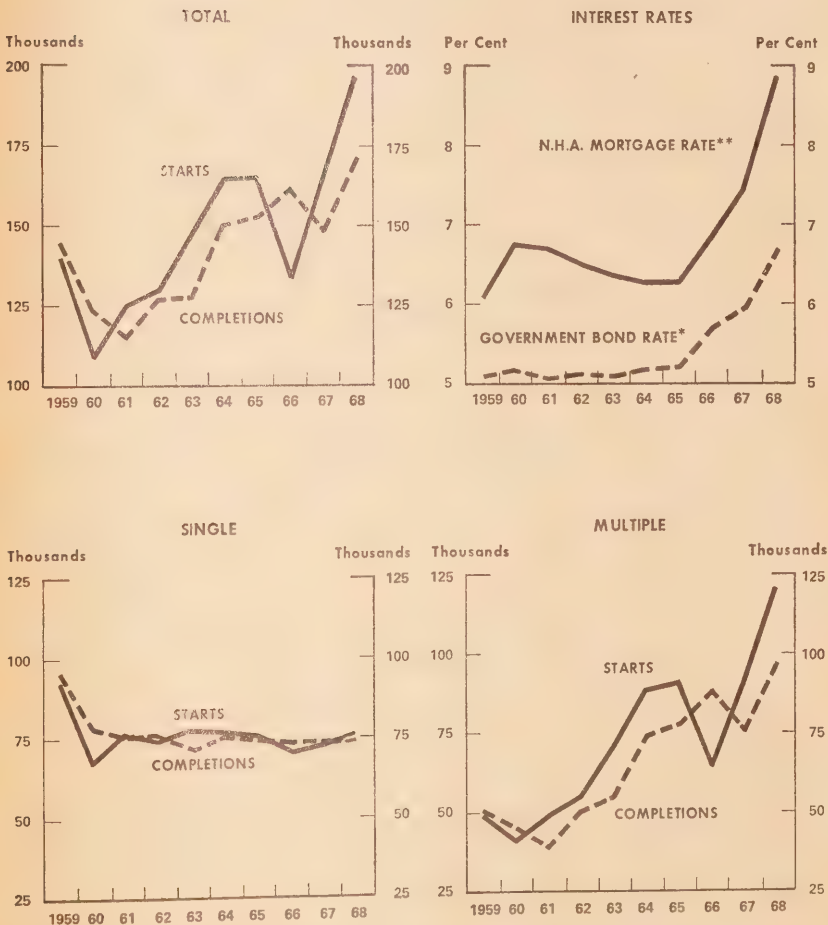
The behaviour of business inventories also has shown cyclical characteristics. Accumulation reached a peak early in 1966 but, following this, the quarterly increases were minor. Thus, the absolute level of inventories continued

to rise until the last quarter of 1967, when it declined. During 1968 a rising trend became re-established, and the inventory build-up has been of normal proportions.

Expenditures for residential construction have varied considerably over the past three years. In 1966, conditions in the financial markets caused a very appreciable decrease in the funds available for mortgages. As a result, residential construction dropped off sharply that year. However, this trend was reversed in 1967 and housing expenditures increased during the year. This was followed by a major thrust in new housing starts in 1968, to record levels.

CHART 4

HOUSING STARTS AND COMPLETIONS AND MORTGAGE RATES



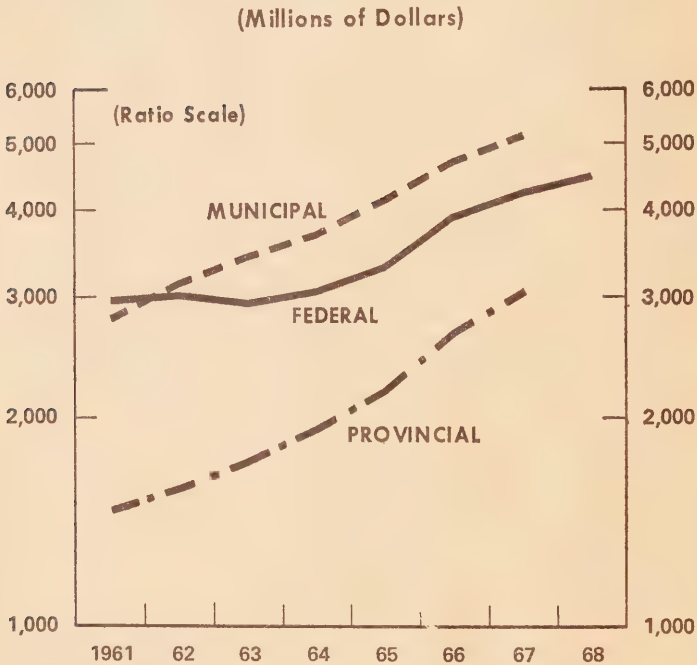
*Average of all direct Government of Canada issues due in ten years or over

**Average rate at which mortgages issued

Government sector demand for goods and services

The rate of increase of total public expenditure on goods and services has abated appreciably from the 11.1 per cent and 17.4 per cent advances recorded in 1965 and 1966 respectively. Expenditure grew by 9.7 per cent in 1967 and by 7.7 per cent in 1968. Price changes accounted for 4.8 per cent and 6.5 per cent of these increases respectively. The real increase in total government spending on goods and services was 4.7 per cent in 1967 and 1.1 per cent in 1968.

CHART 5
GOVERNMENT SECTOR EXPENDITURE
ON GOODS AND SERVICES
NATIONAL ACCOUNTS BASIS — ANNUAL



The deceleration has been particularly pronounced for capital expenditure where the rate of increase has dropped from 20.3 per cent in 1965 and 17.3 per cent in 1966 to 8.2 per cent in 1967 and 6.6 per cent in 1968. The acceleration of capital expenditure in 1965 and 1966 resulted largely from activities relating to Canada's Centennial celebrations and from a rapid expansion of educational facilities. Since current expenditure is less volatile than capital expenditure, the relative decline in its rate of advance has been less pronounced. Increases in current outlays were 10.1 per cent and 8.0 per cent in 1967 and 1968 respectively.

TABLE 1
PUBLIC EXPENDITURE ON GOODS AND SERVICES

	1963	1964	1965	1966	1967	1968
	(Millions of dollars)					
Current expenditure.....	6,273	6,813	7,400	8,689	9,568	10,344 ⁽¹⁾
Capital expenditure.....	1,802	1,841	2,214	2,597	2,809	2,995 ⁽¹⁾
Total current dollars.....	8,075	8,654	9,614	11,286	12,377	13,329
	(Per cent change from previous year)					
Current expenditure						
Real.....	1.4	4.8	4.7	10.4	4.8	n.a.
Price.....	3.8	3.6	3.7	6.3	5.1	n.a.
Total.....	5.2	8.6	8.6	17.4	10.1	8.0 ⁽¹⁾
Capital expenditure						
Real.....	-1.6	1.2	8.8	10.2	4.3	n.a.
Price.....	4.3	0.9	10.4	6.4	3.7	n.a.
Total.....	2.7	2.2	20.3	17.3	8.2	6.6 ⁽¹⁾
All expenditure on goods and services						
Real.....	0.5	3.9	5.8	10.4	4.7	1.1
Price.....	4.1	3.2	5.0	6.3	4.8	6.5
Total.....	4.6	7.2	11.1	17.3	9.7	7.7

⁽¹⁾Data for 1968 are Department of Finance estimates.

As noted, the inflationary pressures at work since 1965 have pre-empted a significant proportion of the growth in value of public expenditure on goods and services. Price changes accounted for over half of the 10.1 per cent value increase registered by current expenditure in 1967. In 1968, price changes will account for an even larger proportion of the 8 per cent total increase. For capital expenditure, price increases of 3.7 per cent in 1967 were responsible for just under half of the value increase, and they could account for two-thirds of the 1968 increase.

Foreign sector: exports and the current account

The current account of the balance of payments reflects many important aspects of the state of the economy. Imports rise as the economy grows. They rise more rapidly when demand is strong and inflationary pressures are powerful. In this, they can be a useful safety-valve, supplying the marginal needs which might otherwise result only in sharp price gains. A disproportionate rise in imports is a major indicator of inflationary excess demand, and a rapid rise in the price level similarly is an inducement to an increased inflow of goods and services. Imports are thus both an indicator and a regulator.

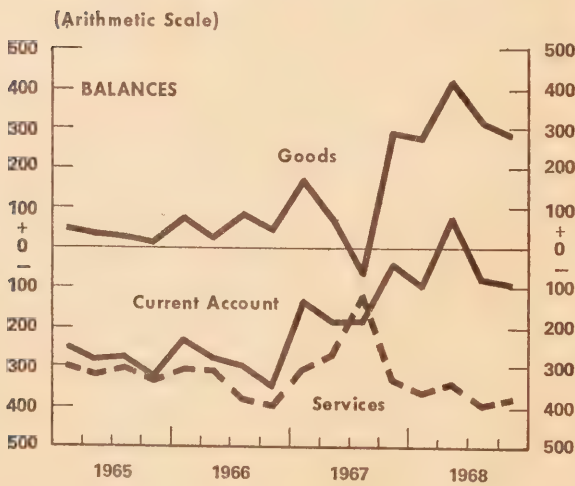
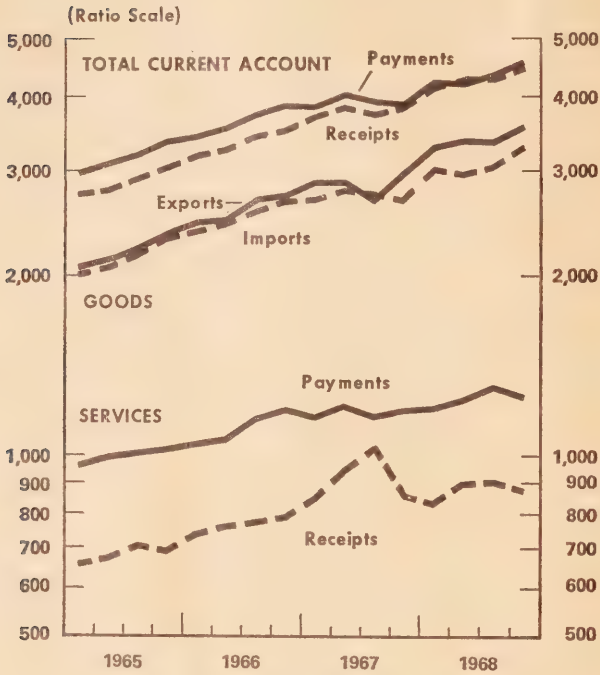
The growth in exports depends upon economic growth in other countries, and upon cyclical variations in those countries. As the economies of the world become more closely linked, cyclical movements become more closely related.

CHART 6

BALANCE OF PAYMENTS — CURRENT ACCOUNT

SEASONALLY ADJUSTED — BY QUARTERS

(Millions of Dollars)



Business fluctuations in Canada and the United States (our major customer and supplier) are usually similar in timing, and thus, as pressure of domestic demand upon productive resources increases, pressure of demand upon the export industries also grows.

In the period of growth from 1961 to 1966, shared alike by Canada and the United States, the Canadian economy could at first meet growing domestic demand out of idle domestic resources, and imports grew relatively slowly. This situation changed to one of more rapid growth as Canadian resources became more fully employed. Exports, reflecting strong demand abroad, grew even more rapidly over the period.

In 1967, exports of goods and services rose by 12 per cent and imports by 6 per cent; in 1968, exports rose by nearly 14 per cent and imports by 11 per cent. These trends are consistent with the easing of pressures in the domestic economy in 1967, and with a move toward accelerated growth in 1968.

Detail in reference table 6 shows that buoyant demand abroad indeed represented a major contribution to the demand pressures of the early period, although the growth of imports in the later part of the period eased the inflationary impact by contributing significantly to available supply. The non-merchandise deficit increased, although this was almost entirely due to the swing of the travel account away from the extraordinary surplus achieved during the year of Expo '67.

TABLE 2
CURRENT BALANCES

	Changes from previous year				
	1966	1967	1968	Changes from previous year	
				1967	1968
	(Millions of dollars)				
Merchandise trade balance.....	224	481	1,295	+257	+814
Gold production.....	127	112	112	-15	—
Travel.....	-60	427	-8	+487	-435
Interest and dividends.....	-822	-896	-971	-74	-75
Freight and shipping.....	-65	-39	-22	+26	+17
Inheritances and migrants' funds.....	70	124	151	+54	+27
Official contributions.....	-166	-181	-133	-15	+48
Other current transactions.....	-470	-571	-605	-101	-34
Total non-merchandise balance.....	-1,386	-1,024	-1,476	+362	-452
(excluding travel).....	(-1,326)	(-1,451)	(-1,468)	(-125)	(-17)
Current account balance.....	-1,162	-543	-181	+619	+362

The widening of the deficit on some other non-merchandise accounts was offset by further improvement in the balances on freight and shipping and inheritances and migrants' funds, and by a lower level of official contributions due in part to a reduction in the international food aid programme.

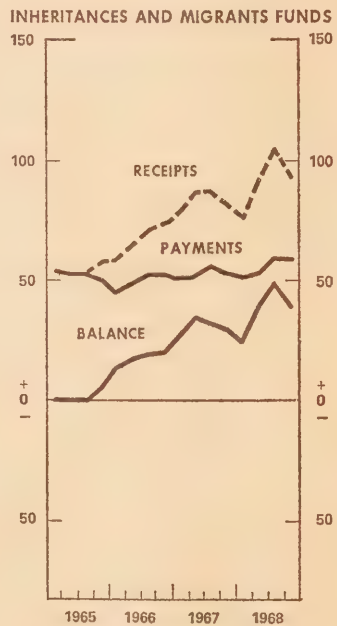
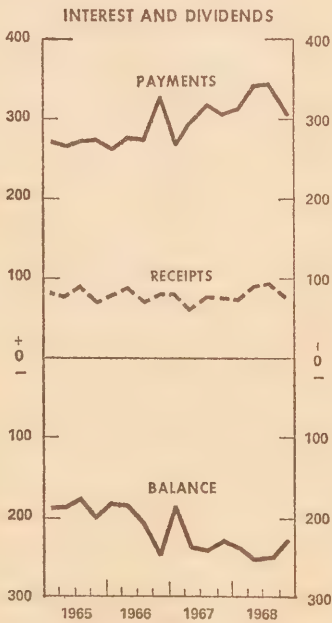
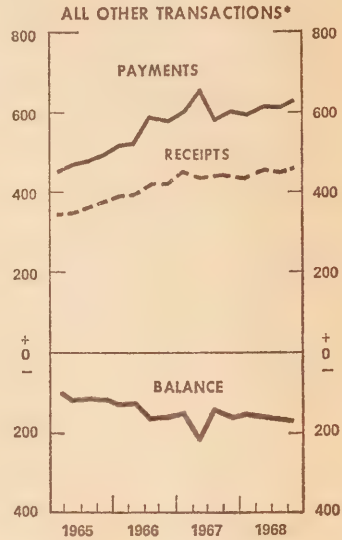
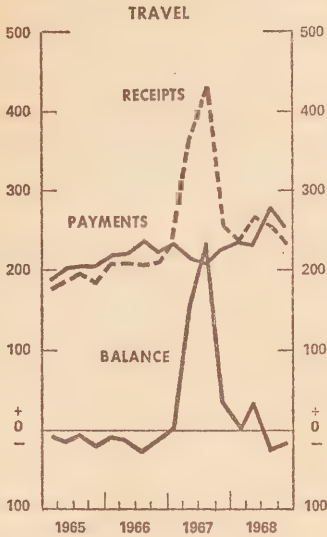
Instrumental in the achievement of the smallest current account deficit in 16 years was the \$800 million increase in the trade surplus to a level of \$1.3 billion. The main reason was the extraordinary expansion of exports as the

CHART 7

BALANCE OF PAYMENTS — CURRENT ACCOUNT NON-MERCHANDISE

SEASONALLY ADJUSTED — BY QUARTERS

(Millions of Dollars)



*Including gold production available for export, freight and shipping and official contributions

result of faster growth in the United States than in Canada. U.S. import demand was further reinforced by labour disputes in that country, which imparted a particular stimulus to Canadian shipments of copper and iron and steel during the fourth quarter of 1967 and the first half of 1968. The increase in Canadian imports in 1968 was enlarged by the growth in the two-way trade in automotive products, but moderated by the lack of growth in business outlays on machinery and equipment, which have a high import content. Consequently, the trade surplus rose substantially, and the pressure on production capacity in Canada was thus significantly increased. Not until the fourth quarter did the growth rate of imports exceed the rate of export expansion, and the trade surplus then fell slightly below the level of the corresponding period of 1967.

TABLE 3
MERCHANDISE TRADE
(Balance of Payments basis, seasonally adjusted)

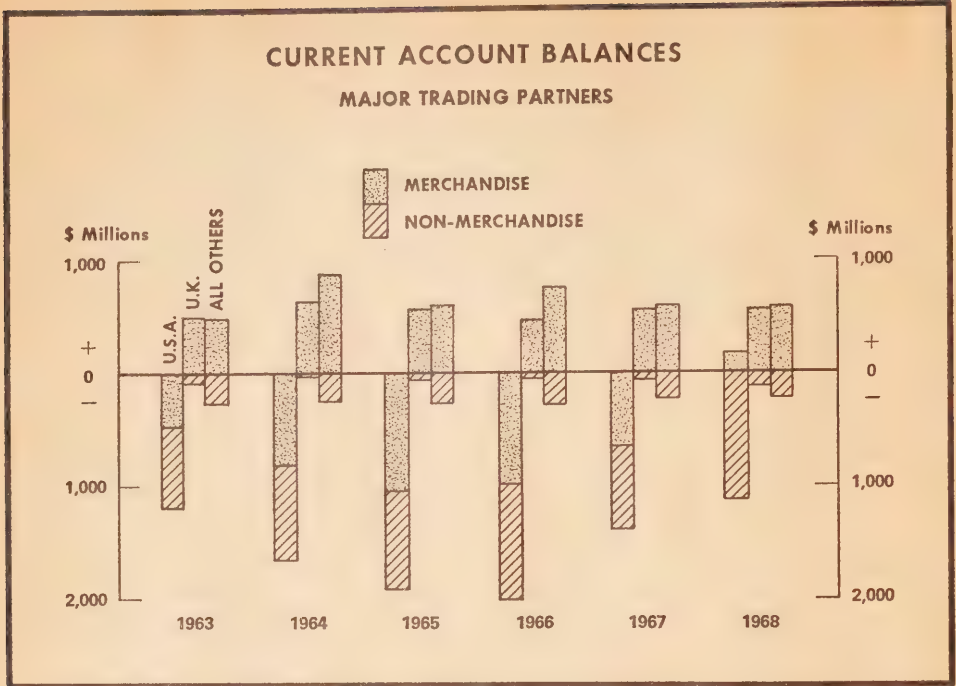
	1967	1968	1967				1968			
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
			(Per cent change from same period a year ago)							
Exports.....	10.3	19.4	16.6	15.7	0.7	8.9	14.8	17.3	25.4	20.4
Imports.....	8.0	12.8	13.1	13.5	6.4	0.2	12.0	5.6	11.0	22.9
	(Millions of dollars)									
Balance.....	481	1,295	172	79	- 63	293	274	418	317	286
Change from previous year..	+257	+814	+97	+58	-147	+249	+102	+339	+380	-7

On a Trade of Canada basis (i.e., before adjustment for balance of payments purposes), the trade surplus in 1968 was \$1.2 billion, an increase of \$675 million from the previous year. The surplus on trade with the United States at \$123 million represented a swing from substantial and typical deficits, and was more than the overall improvement in the merchandise balance.

The deficit on trade in motor vehicles and parts, which can be attributed almost entirely to the United States, contracted by about \$80 million, contributing only in a small way to the improvement of the bilateral balance with the United States. Canadian exports of wheat and flour declined further, despite a good recovery of shipments to Mainland China. All other major markets reduced their wheat purchases from Canada. In the case of South Africa, this accounted for more than the total reduction in the trade surplus with that country, and in the case of Japan, for more than half of it.

The greater strength of exports in 1968 was thus largely related to the buoyancy of demand in the United States. Shipments to the EEC accelerated only moderately, while those to the U.K. recorded an even smaller increase than in 1967. Exports to Mainland China rose nearly 80 per cent, but the increase was based on the very low level of the previous year, and was in any case offset

CHART 8



by further declines in sales to other state-trading countries. Japanese purchases from Canada, which in 1967 rose by 45 per cent, fell off substantially during the first few months, and the gain for the year as a whole reached only 6 per cent. Exports to Australia also rose less rapidly and those to South Africa fell substantially.

On a commodity basis, wheat shipments fell for the second year in succession, but exports of motor vehicles and parts continued to advance rapidly, accounting for nearly half the gain in overall exports. Nevertheless, the demand for other Canadian products also rose much more than in the previous year, and this found expression in larger increases in shipments of forest products, iron ore and scrap, aluminum, and iron and steel. On the other hand, some slowdown took place in the rate of exports of oil and gas and nickel.

In the case of imports, the acceleration was largely attributable to transactions with the United States, although there was also a significant recovery in purchases from the U.K. Imports from Japan and Venezuela rose at about the same high rates as in the previous year, but those from the EEC advanced at a much slower pace.

The composition of imports in Canada is such that end products show a much faster growth rate than primary and fabricated materials. This was true again in 1968, but to a lesser extent. Imports of motor vehicles rose at about the same rate as in 1967, but those of production equipment were flat and there were declines in some sectors, particularly agricultural machinery and tractors.

On the other hand, imports of drilling machinery and of machinery for the plastics and chemical industries registered very substantial increases. Imports of some end products, such as aircraft, communications equipment and textiles were very buoyant, while iron and steel purchases registered another decline.

REGIONAL ACTIVITY

Variations in the regional structure of the Canadian economy give rise to differences in incomes, employment, investment patterns, and rates of economic growth from one region to another. In a country of such great geographic diversity as Canada, regional economic developments may diverge quite widely from the national trend in response to differing circumstances affecting the regions.

At times, when prices are rising too rapidly and when certain regions of the country are more fully employed, such as the present, measures designed to increase economic activity in those areas with under-employed resources must of necessity be different from policies designed to raise the level of economic activity throughout the whole country. Accordingly, programmes to reduce regional inequalities present a serious challenge to the policy-maker.

Among the current indicators of the level of regional activity, the regional labour force data provide a useful guide to trends and developments. Reference table 33 shows that unemployment in Ontario, the most highly industrialized labour market region, remains very low, having returned to the levels of late 1966. The rate in the prairie region is also lower than the average, although the low rate itself (which is characteristic of this region) is not so much an indication of local pressures which could contribute to price advance as a reflection of the high proportion of self-employed farmers in this part of Canada. In this region, as in all others, the unemployment rate now appears to be moving downward. The rapid growth in employment opportunities in British Columbia attracts workers; the unemployment rate in that province is usually higher, reflecting in part the resulting frictional unemployment. Trends in the Atlantic region are showing more improvement relative to the rest of Canada than has been typical in the past; and Quebec, due to adjustments after Expo year, has recently lagged in relative terms. These trends are summarized in the following figures:

TABLE 4
UNEMPLOYMENT RATES BY REGION
Expressed as a ratio of the unemployment rate for Canada

	1967				1968				1969
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Atlantic.....	1.69	1.71	1.56	1.49	1.48	1.59	1.58	1.59	1.54
Quebec.....	1.31	1.28	1.27	1.28	1.35	1.31	1.30	1.43	1.48
Ontario.....	0.75	0.76	0.80	0.77	0.75	0.76	0.77	0.70	0.65
Prairies.....	0.53	0.54	0.57	0.59	0.59	0.62	0.71	0.58	0.61
British Columbia.....	1.27	1.21	1.21	1.28	1.27	1.25	1.25	1.15	1.17

Although changing industrial patterns and numbers of part-time workers raise statistical problems, a comparison of average wages earned gives another general indication of economic developments. In 1967, the average wages earned by each employed worker in the Atlantic region was close to 80 per cent of the national average, and the proportion increased to about 82 per cent in 1968. In the prairies the proportions were somewhat higher than in the Atlantic region. Quebec was marginally below the national average in 1967, and moved closer in 1968. In Ontario, average earnings were consistently close to 111 per cent of the national average in both years, and in British Columbia there was a decline in relative earnings, from around 114 per cent of the national average in 1967 to around 110 per cent in 1968.

Capital expenditures provide another useful guide to the strength of the economy in the various provinces. For Canada as a whole, as noted elsewhere, outlays on new investment levelled off in 1967 after three years of very rapid growth, and moved up only modestly in 1968. Among the provinces, however, developments have varied. British Columbia, after the vast pulp mill developments of earlier years, recorded a slight drop in 1968. The prairie provinces have shown sustained strength as a group, although the Saskatchewan picture has recently softened as the potash development programme has moved to completion. Manitoba has shown consistent advances in capital outlays in the business sector, which for Canada as a whole have been level since 1966. Alberta also has shown above-average strength in both business and housing. Business investment in Ontario has been virtually flat, at a relatively high level, since 1966. In Quebec, the completion of major Expo projects in late 1966 was followed by a fairly sharp drop in business spending in 1967, but total outlays advanced modestly in 1968. In New Brunswick, as some major projects were completed, business expenditures fell very steeply in 1967 and 1968. Nova Scotia and Newfoundland have each recorded continued gains of some magnitude; in the latter case the influence of the Churchill Falls project has been important, but in Nova Scotia the business sector has been declining, while housing and the public sector have been moving forward. Investment in Prince Edward Island has shown no growth since 1965, and recorded a decline in 1967.

The 1969 outlook in the provinces is still mixed. The Atlantic region as a whole shows more widespread strength with a major swing from decline to growth in New Brunswick; Nova Scotia and Newfoundland also record new advances. According to the survey of capital investment intentions, Prince Edward Island appears likely to experience some further decline. In Quebec, a rather modest total advance reflects gains in housing and the public sector. In Ontario, an expected very substantial advance in the business sector and a large advance in housing will result in a major increase in total outlays—a potentially inflationary danger. The prairie region reflects continued but more modest gains in Manitoba, an expected decline in Saskatchewan, and an average increase in Alberta, so that the region as a whole reveals rather less investment growth than in 1968. British Columbia, after a slight drop in 1968, should record some advance in 1969, although a fall in utilities (as major hydro-electric projects move closer to completion) offsets other gains in the business sector. Details are shown in reference tables 15 and 16.

CHART 9

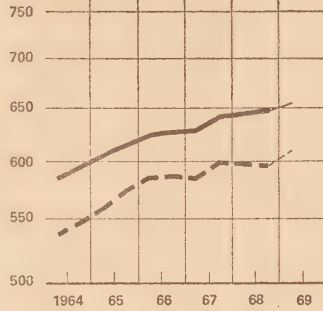
LABOUR FORCE AND EMPLOYMENT BY REGION

SEMI-ANNUALLY — IN THOUSANDS*

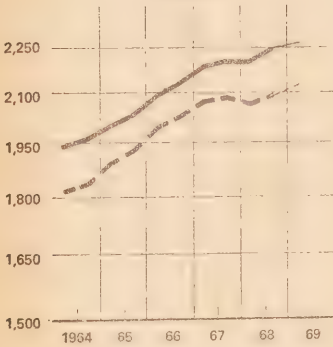
(Ratio Scale)

———— LABOUR FORCE
----- EMPLOYMENT

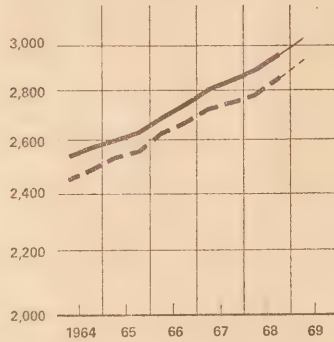
ATLANTIC



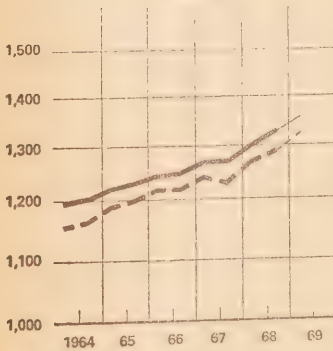
QUEBEC



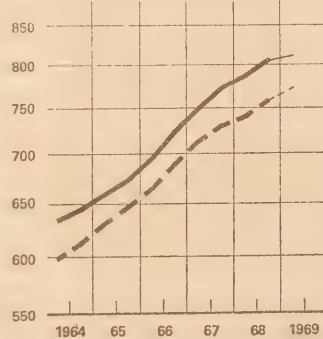
ONTARIO



PRAIRIE



BRITISH COLUMBIA



*1969 figures are first quarter only.

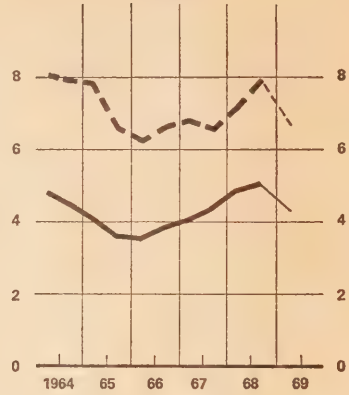
CHART 10

UNEMPLOYMENT RATES CANADA AND BY REGION

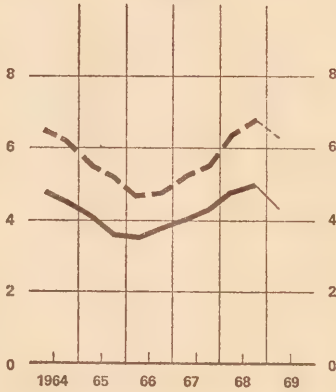
SEMI-ANNUALLY — PER CENT*

———— CANADA
----- REGION

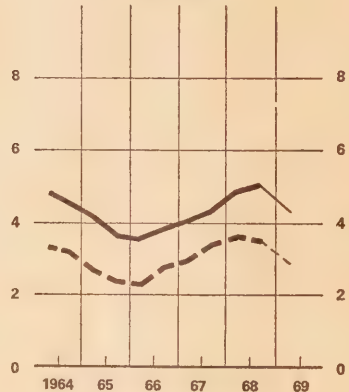
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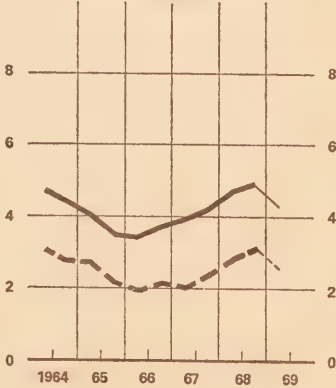
QUEBEC



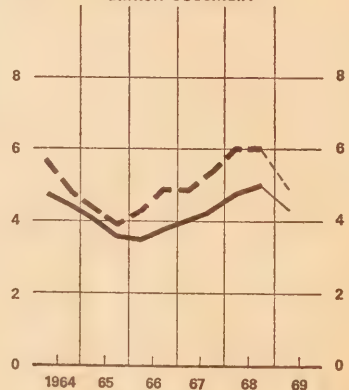
ONTARIO



PRAIRIE



BRITISH COLUMBIA



*1969 figures are first quarter only

Trends in retail trade have varied from one region to another. In 1968, the uncertain condition of world wheat markets, together with the existence of large stocks of unsold grain, were associated with little change in total retail sales in Saskatchewan. In British Columbia, by contrast, settlement of major forest industry labour disputes early in 1968 was followed by a rise of 8 per cent in retail sales in the year. In Newfoundland, a heavy construction programme was instrumental in raising personal expenditures by 9 per cent in the year. In Quebec, after the Expo climax of 1967, the 1968 increase in retail sales was only 2.5 per cent.

Similarly, regional specialization in particular types of products, together with recent and prospective developments of markets and of transportation technology, have influenced the pattern of capital expenditures in the various regions. The potentialities of bulk carriers of primary products, loading at deep water ports, have already influenced profoundly economic developments in western Canada and may well have begun to bring about far-reaching changes in the east. In Alberta and British Columbia these developments have been supported by the development of railway and other inland transportation, and have made feasible the large-scale exploitation of primary resources which previously would not have been economic. These developments have been sparked by growing demand, particularly from Japan, for many primary products, but in their turn they open up new competitive possibilities in many other markets. The future location of oil refineries and the petro-chemicals industries will also be affected by new transportation techniques, and here again export prospects are an important factor. The specialization of the central provinces in manufacturing, and the location of their major export markets in the highly-industrialized, densely-populated adjacent American states, have now resulted in renewed emphasis on investment in manufacturing facilities in this part of Canada, particularly metals, machinery and transportation equipment.

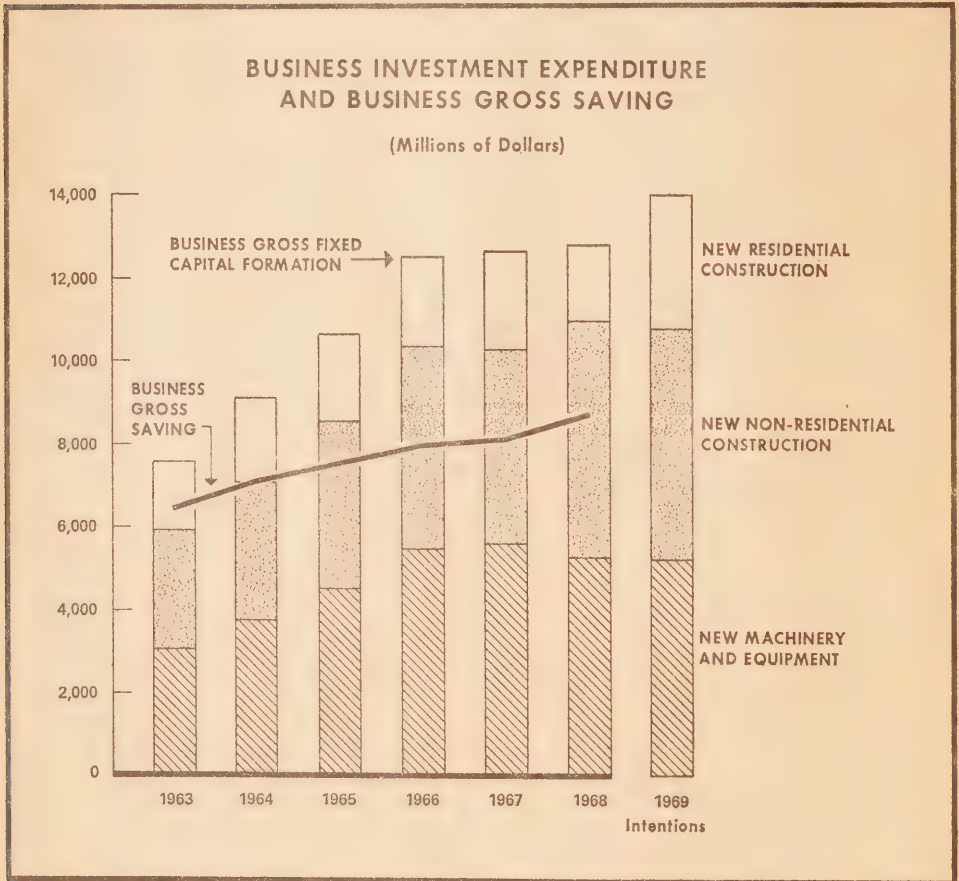
These differing trends and developments are of importance for the longer-term future. For the more immediate future, however they illustrate the nature of differing regional economic structures. The regional investment programmes in some degree reflect different inducements, different technologies, and different market potentialities. Regional wage movements and consumer demand pressures display a wide range of intensities, and unused labour resources currently vary from very low in some parts of the country to high in other parts. These differences add to the problems of policy for stabilization and growth, and underline the need to develop supplements to the more traditional economic instruments, directed at the restraint of excess pressures in areas where they develop, while encouraging continued advance wherever there are unused resources to make it possible.

THE BALANCE OF THE ECONOMY: SOURCE AND DISPOSITION OF SAVING

The economic acceleration of 1968 arose from renewed demand strength and continued growth in almost all sectors. Only business investment showed little significant expenditure change in 1968. As noted, merchandise exports grew by nearly 20 per cent, and housing, consumer and government spending all increased substantially in percentage and dollar terms.

As may be seen by the table on source and disposition of saving (reference table 57), there was little change in the level of personal saving in 1968 and there was less call on real resources from abroad (as measured by the reduced deficit on current account). But substantial increases in savings both by the business sector and the government sector, including the Canada and Quebec pension plans, took place. These savings matched the increase in outlays on housing and business inventories, and there was, as noted, virtually no change in the level of business fixed investment.

CHART 11



There was a moderation in the rate of growth of personal saving, as the increase in expenditure exceeded the growth in personal disposable income. The needs of the business sector for saving were moderated by the unchanged level of business investment. With respect to governments, the growth in the surplus (on a national accounts basis, including contributions to the Canada and Quebec pension plans), represented an additional source of saving to the economy, which was used to finance in part the very large investment and lending operations of all levels of government.

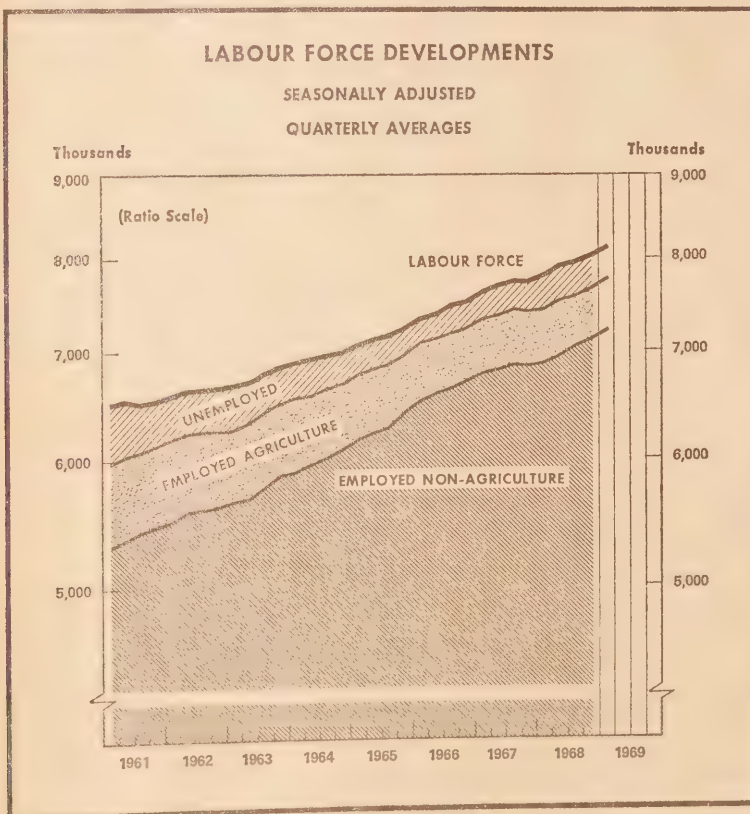
While the capacity of the economy to meet increasing demand grows from year to year, it can be seen from the 1968 experience that a renewed growth in business investment, together with sustained demands from other sectors of the economy, would require additional saving, either from domestic sources or from abroad. These savings arise domestically from a moderation in the spending, relative to income, of each major sector, and from abroad in the form of a widening of the current account deficit, necessitating a corresponding inflow of capital. The extent and degree to which the various sectors generate saving, given spending demands, helps determine changes in prices or in the balance of payments. In terms of pressure on resources, this means that a rising investment programme should be matched by more moderate growth in net demand by the other sectors.

EMPLOYMENT, PRICES, COSTS AND PRODUCTIVITY

Employment

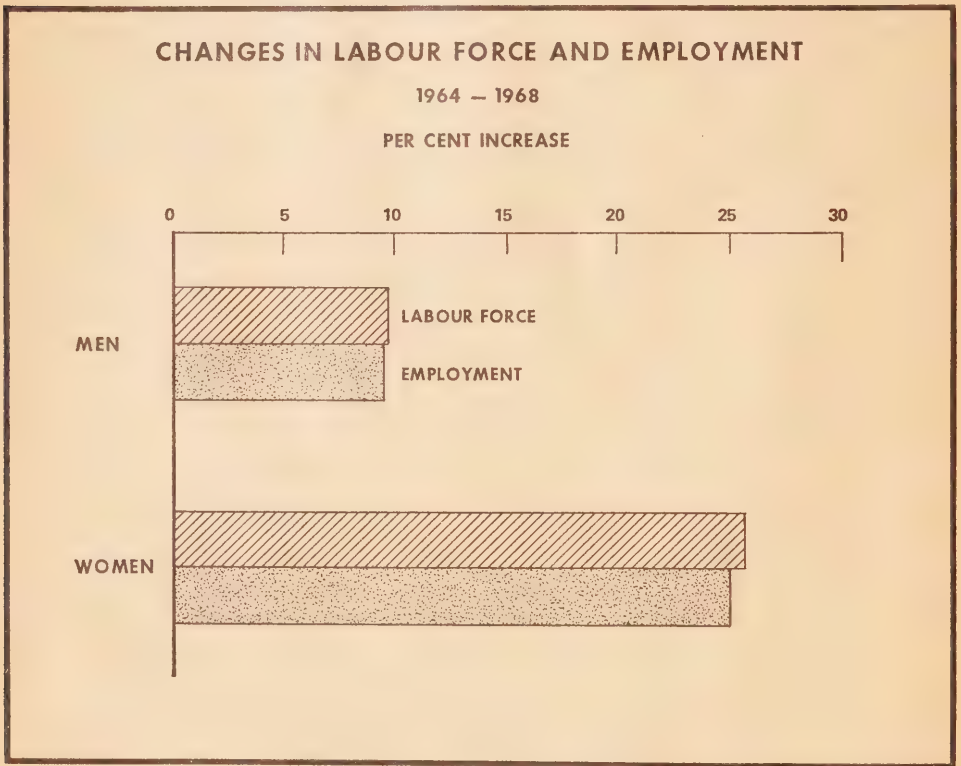
For several years, the Canadian labour force has been rising by more than 200,000 persons annually; indeed, in 1966 and 1967 the rise exceeded 270,000 persons. This increase in numbers has been supplemented by a number of qualitative changes, such as changes in the age and sex composition of the labour force (summarized in reference table 27), and changes in the skills and mobility of the workers themselves.

CHART 12



Since 1961, the proportion of those aged fourteen and over who are employed or actively seeking employment has shown some extensive changes. The number of women participating in the labour force has increased very substantially during this period, while the participation rate for men has shown a modest decline. The influence of extended years of schooling has sharply reduced the proportion of young men seeking work or holding jobs, while young women are today remaining at work longer. The net rise in participation rates has been associated with the prolonged expansion beginning in 1961; the period of slower growth in 1967, as was to be expected, was accompanied by a check in the upward trend of the total participation rate, but this has since resumed its advance. Among adult men, the participation rate has remained relatively constant.

CHART 13



From 1961 until 1966, the rate of increase in new jobs, especially in the non-agricultural sector, exceeded the growth of the labour force. While labour force growth then fell below the 1966 peak, it remained high by international standards, and the adjustment of 1967 and improved productivity through 1968 moderated the demand for additional workers. As a result, the unemployment rate rose from 3.6 per cent in 1966 to 4.1 per cent in 1967 and to 4.8 per cent in 1968.

TABLE 5

THE LABOUR FORCE, EMPLOYMENT AND UNEMPLOYMENT

	1965	1966	1967	1968
	(Per cent change from previous year)			
Labour force.....	3.0	3.9	3.7	2.9
Agricultural.....	-6.1	-8.5	2.7	-1.8
Non-agricultural.....	3.9	5.0	3.8	3.3
Male.....	2.1	2.5	2.6	2.5
Female.....	5.3	7.3	6.2	4.9
Participation rate (per cent).....	54.4	55.1	55.5	55.5
Employment.....	3.8	4.2	3.2	2.1
Agricultural.....	-5.7	-8.4	2.8	-2.3
Non-agricultural.....	4.8	5.4	3.2	2.5
Male.....	3.1	2.9	2.0	1.6
Female.....	5.7	7.4	5.9	4.4
Unemployment rate (per cent of labour force).....	3.9	3.6	4.1	4.8

SOURCE: DBS *The Labour Force*.

Prices

The rate of increase in the implicit price index for gross national expenditure, which is the most general measure of overall price change available, rose from 1.8 per cent in 1963 to over 2.6 per cent in 1964, and reached 4.6 per cent in 1966. In 1967, this index registered an increase of 3.6 per cent over 1966. This last change was attributable in part to the removal of the federal sales tax on machinery and equipment which occurred in that year, and to a relative (but temporary) stabilization in food prices. The rise in prices was otherwise general throughout all components of gross national expenditure. This tendency persisted in 1968, though with some moderation in some areas, and the 1968 rise, as measured in the implicit price index, was also 3.6 per cent over the previous year.

The consumer price index showed much the same trends as the implicit price index for personal expenditures.

After advancing by 3.7 per cent in 1966, largely as a result of the sharp rise (6.3 per cent) in food prices, the consumer price index increased by fractionally less than this in 1967. In 1968, the total index increased by 4.1 per cent, due in part to a 6 per cent increase in shelter costs and a 4.4 per cent increase in the cost of services; food increased by 3.3 per cent. Prices of non-durable goods, other than food, have increased more rapidly since 1966 than in the preceding years, and have become one of the strongest components in the index. Shelter costs, as a result of the increase in the price of new houses, higher interest rates on mortgages and the rising levels of rents, municipal taxes, and related services, have played, and continue to play, a relatively important role in raising the consumer price index. For four years, the price index for services has shown consistently strong increases, averaging more than 4 per cent a year. This reflects a steady rise in wage rates and little offset from productivity, so that wage costs have been translated fairly directly into prices.

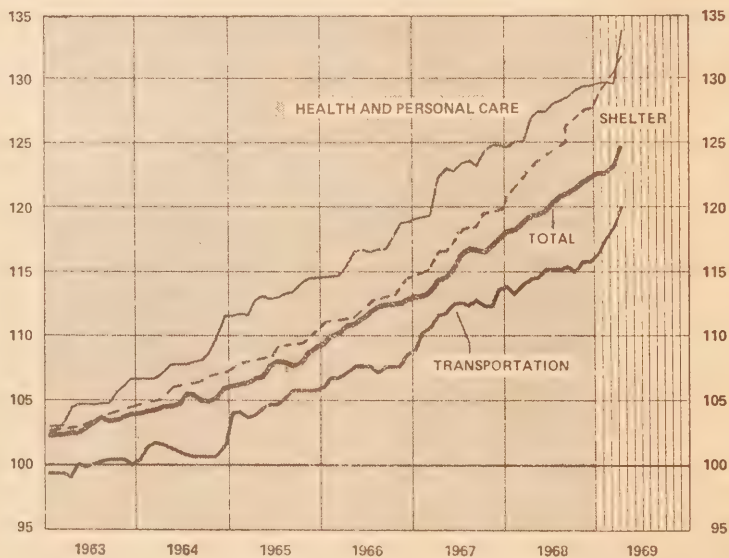
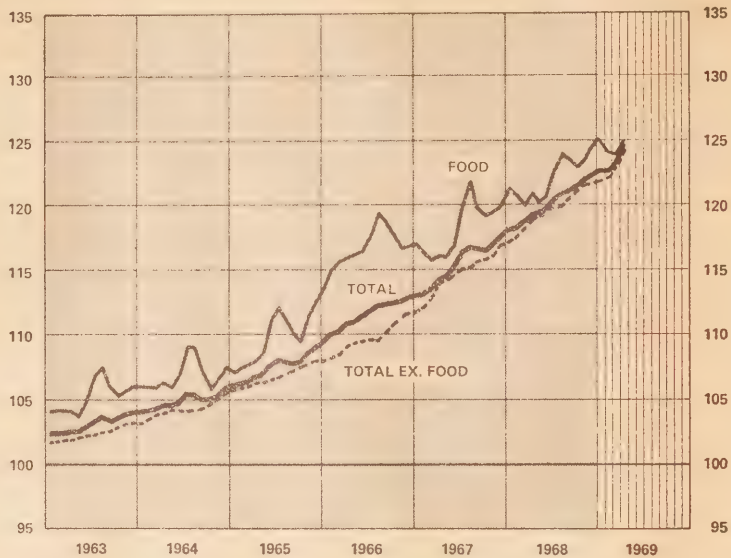
Certain other price series have come to the fore as economic indicators of pressure in recent months. Among them are the industry selling price indexes, some of which serve as particularly sensitive indicators of demand pressure

CHART 14

CONSUMER PRICE INDEX

SELECTED ITEMS

1961 = 100



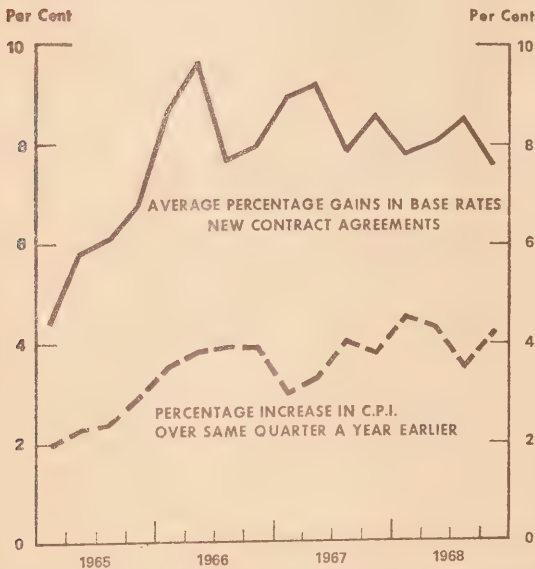
and cost developments. The sharp increases which have occurred in the wood products industries since mid-1968 have in part reflected the rise in demand associated with the increase in housing construction in both Canada and the United States. Over the past year, prices of cement and similar construction items have risen substantially, as have prices of paint and associated products. Some items in the wholesale price index similarly have advanced in response to renewed demand growth, and the total index rose by 2.1 per cent in 1968. In the final months of 1968 and in early 1969 the rate of increase accelerated. The price index for merchandise exports rose by 3.6 per cent in 1968.

These developments suggest that the pause of 1967 did not remove the underlying inflationary tendencies, and that prices remain susceptible to the pressures of demand.

Wage rates and labour costs

During the recent past, earnings have continued to increase fairly rapidly throughout the economy. This increase shows up clearly both in new wage settlements and in actual earnings.

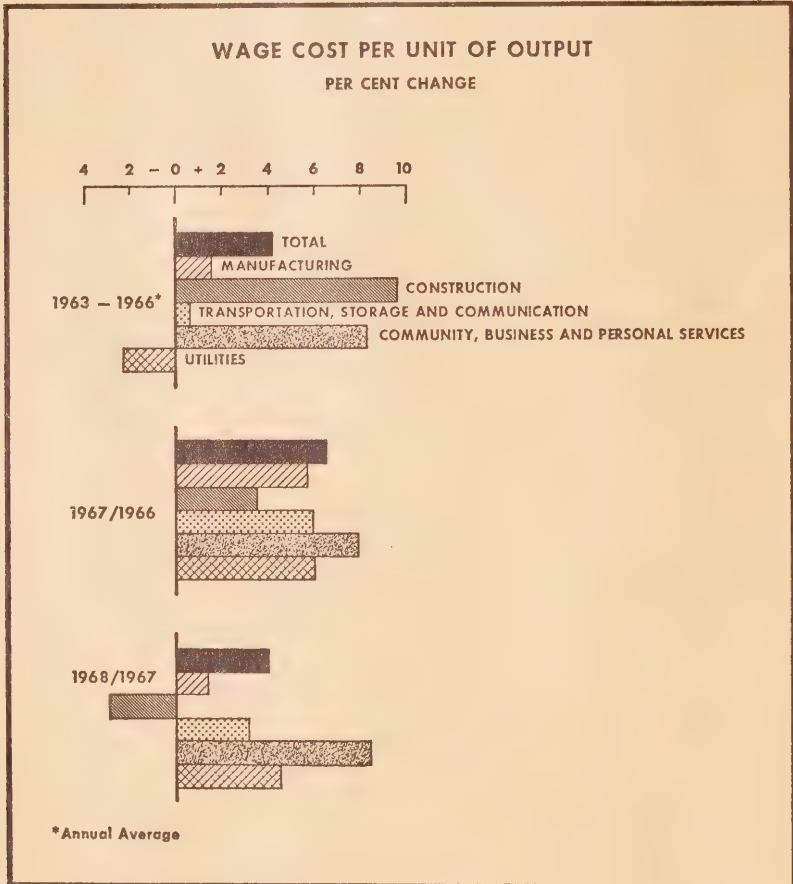
CHART 15
CONTRACT SETTLEMENTS AND PRICE CHANGE



Negotiated increases in average annual wage rates under major collective agreements (excluding construction) rose from 5.7 per cent in 1965 to 8.7 per cent in 1967, moderating only slightly to 8.1 per cent in 1968. In those non-commercial industries (public administration and defence, hospitals, education and other community services) for which information is available, increases were about 1 per cent higher than the general average. Incomes of professional workers, both employed and self-employed, have also been rising substantially in the past few years.

Average hourly earnings have followed a similar pattern to that of wage settlements. In manufacturing, the annual rate of growth in hourly earnings was 7.7 per cent in 1968 compared to 8.3 per cent in 1967. In the construction industry, average hourly earnings advanced more rapidly, and were 10.4 per cent higher in December 1968 than a year earlier. This increase was largely attributable to the advance in hourly rates in engineering construction, which was 12 per cent in 1968.

CHART 16



The annual rate of increase in wage cost per unit of output in the commercial non-agricultural industries rose from 4.5 per cent in 1965 to 6.7 per cent in 1966. It dropped to 5.1 per cent in 1967, and in 1968 it advanced by 3.4 per cent. In the manufacturing industries, unit wage costs also decelerated, registering an advance of 1.7 per cent in the year compared to 5.7 per cent in 1967. This was the result of higher productivity, which rose by 4.6 per cent in 1968 after a rise of only 0.2 per cent in 1967.

Productivity

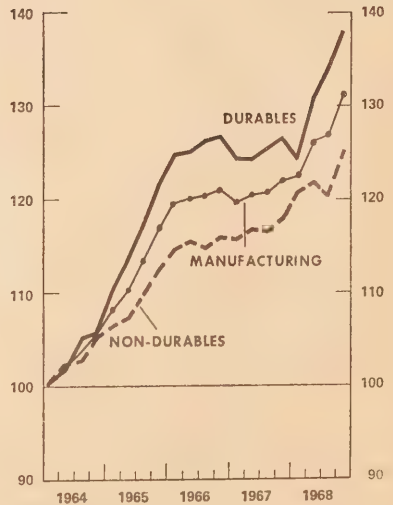
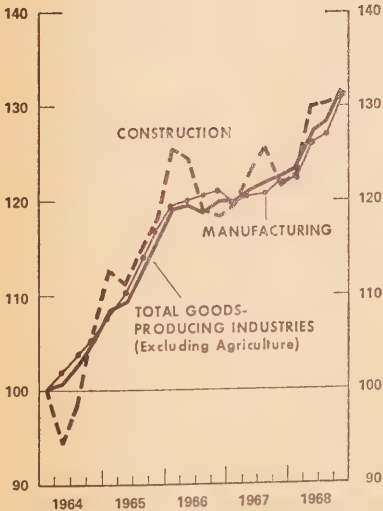
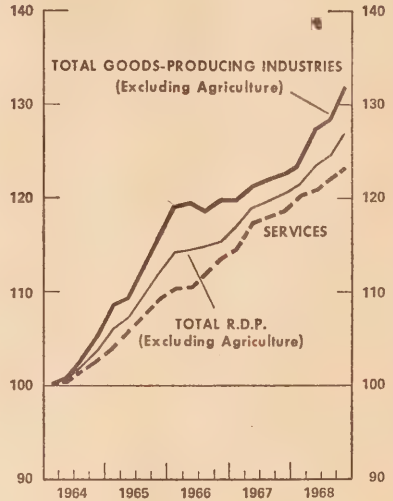
The volume of real domestic product, excluding agriculture, after rapid increases in 1965 and 1966, rose at a more moderate rate of 3.5 per cent in 1967. In 1968, as the economy resumed more rapid growth, it advanced by 4.4 per cent.

CHART 17

REAL DOMESTIC PRODUCT

SEASONALLY ADJUSTED
BY QUARTERS

1Q. 1964 = 100

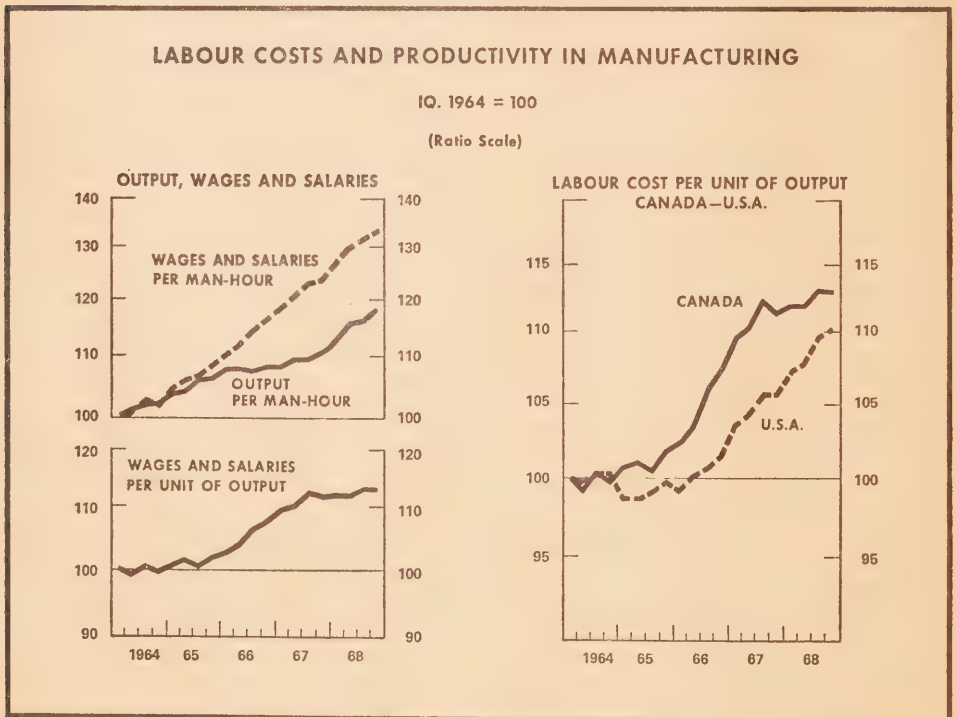


The construction industry, after output gains of 13.9 per cent in 1965 and of 5.9 per cent in 1966, advanced by only 0.5 per cent in 1967. In 1968, output rose by 5.1 per cent in this industry. The output of the manufacturing industries was virtually unchanged in 1967, after the sharp rises of 7.3 per cent and 9.1 per cent in 1966 and 1965, respectively. In 1968, after a slight rise in the first quarter, the volume of production in these industries advanced in the second quarter; this increase continued in the third and fourth quarters. As a whole, manufacturing output advanced by 5.1 per cent in the year.

To a large extent, fluctuations in employment reflected the trends in real output. The mining sector, after increasing its labour force quite sharply in 1965, made only moderate advances in total employment in 1966 and 1967. In the manufacturing industries, where the rate of long-term employment increase is relatively low, employment increased by 5.2 per cent and 4.8 per cent in 1965 and 1966 respectively; it remained more or less stable in 1967. In 1968, the rate of increase was slight, despite the renewed growth in output, as output per worker rose substantially.

In the commercial non-agricultural industries as a whole, productivity (as measured by aggregate output per employee) in 1966 advanced very moderately, and in 1967 it showed a slight acceleration. This was in part attributable to productivity gains in the mining and construction industries of 4.8 and 4.9 per cent respectively. Productivity in the durable-products sector slowed down

CHART 18



in both 1966 and 1967. Recovery in 1968 was accompanied by additional strength in overall manufacturing productivity, where output per employee advanced by 4.6 per cent in the year.

Productivity in the transportation, storage and communications sector improved in 1968, and employment also increased. In the wholesale and retail trades, however, productivity and the level of employment moved in opposite directions; productivity declined while employment rose. The same trends were observed in the finance, insurance and real estate sector.

GOVERNMENTS

The functions of government

Since the middle of the nineteen fifties, the role and structure of government expenditure in Canada have steadily changed. In 1956 the expenditures of all governments, on a national accounts basis, were slightly more than 26 per cent of gross national expenditure. By 1960 they had grown to almost 31 per cent. Between 1960 and 1964, their growth was roughly parallel to that of the whole economy, but by 1968 they had increased their share to about 35 per cent.

Within this over-all pattern, structural changes were evolving.

The expenditures of governments on goods and services, which are a measure of what governments buy, have grown relatively modestly from 17.6 per cent of gross national expenditure in 1956, to 19.8 per cent in 1968. Transfers from governments to persons (including universities and hospitals) and to businesses, however, grew more rapidly than government expenditure on goods and services, rising from less than a third of total government expenditure in 1956 to almost 43 per cent in 1968. Federal transfers also grew more rapidly than expenditure on goods and services, but the federal government share of the public sector declined from 59 per cent in 1956 to 47 per cent in 1968.

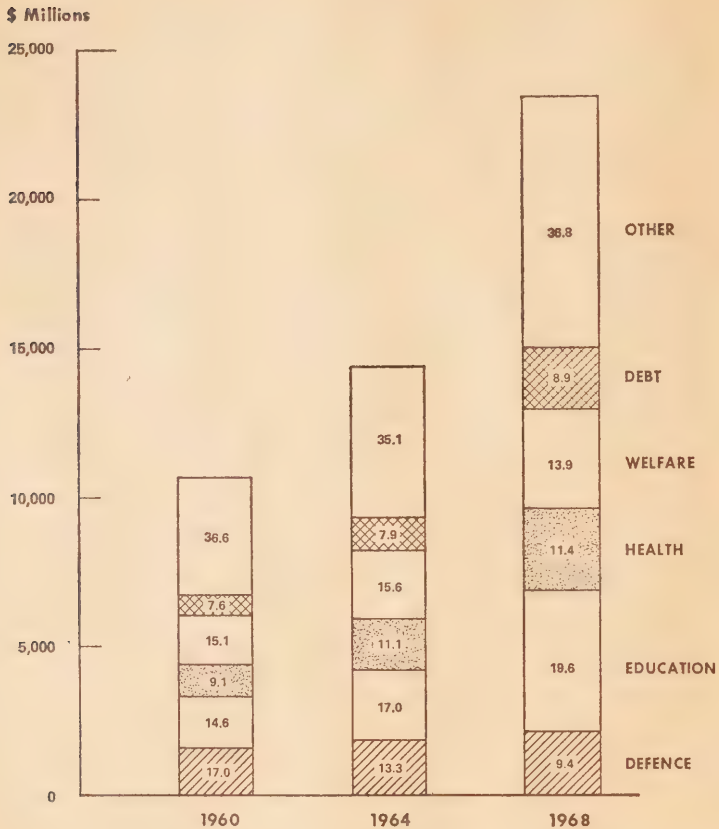
While the overall growth on the revenue side mirrored the general expenditure picture, the structure of the revenue system changed much less. Personal direct taxes grew from about 21 per cent to 27.5 per cent of total revenues, while the relative importance of corporate and indirect taxes declined. The most striking change in revenues was the relative decline in the federal share, over the whole period, from almost 90 per cent to 64 per cent in personal direct taxes, from 95 to 75 per cent of corporate taxes, and from 53 to 38 per cent of indirect taxes. In total, the federal share of all government revenues, including intergovernmental transfers, declined from about 63 per cent in 1956 to 46 per cent in 1968.

The basis of this pattern of change can be seen in the growth of Canada's population, the changes in public expectations, and the rapid industrialization and urbanization of the country. The rate of Canada's population growth has been among the highest in the developed world, due to the baby boom of the

CHART 19

STRUCTURAL CHANGES IN GOVERNMENT SECTOR EXPENDITURE

(PER CENT DISTRIBUTION)



late 1940s and early 1950s, and to substantial immigration. It is expected to continue growing more rapidly than in the United States, and twice as rapidly as in Europe. A very rapid movement from rural to urban areas has also been in progress. While total population increased by about 10 per cent between 1961 and 1966, urban population increased by 16 per cent, and population in centres over 100,000 grew by almost 20 per cent. These two factors have made immense demands upon the public educational system. The growing number of young Canadians, and the higher educational level required by an industrial society, rapidly and successively increased enrolments at all levels. The period of rapid expansion now appears to have ended for the elementary schools, although their enrolments increased by about 8 per cent between 1964 and 1968. Secondary school enrolment grew by almost 20 per cent in that period, compared however to 45 per cent in the previous four years. The crest of the wave has now reached

the universities. University enrolment grew by 71 per cent, up from 56 per cent between 1960 and 1964. These pressures rapidly expanded the requirements for educational facilities provided by municipal, provincial and federal governments. Table 6 illustrates these population trends.

TABLE 6
GROWTH OF POPULATION IN THE YOUNGER AGE GROUPS⁽¹⁾

	0-4	5-9	10-14	15-19	20-24	25-29
	(Total percentage change)					
1950-55.....	18.7	31.8	21.8	5.7	1.2	7.2
1955-60.....	14.5	17.4	29.9	20.8	5.0	2.0
1960-65.....	1.7	9.0	14.8	29.4	16.9	-2.6
1965-70.....	-6.6	1.8	9.2	15.4	32.6	22.0
1970-75.....	8.5	-6.6	2.8	9.2	14.9	30.9
1975-80.....	10.0	8.4	-6.6	2.8	8.9	14.3

⁽¹⁾ Reprinted from Economic Council of Canada, *Fourth Annual Review*, page 59.

While the most rapid expansion was required in educational facilities and operation, the larger, more concentrated, and more affluent population increased demands, both quantitative and qualitative, for hospital services, water and sanitation, urban transportation and the whole urban infrastructure. The need for social welfare services has also grown. This was especially evident in the older age groups. The increasingly industrial economy had fewer jobs to offer those over sixty-five and the urban family could no longer provide the shelter and security which used to be provided by the family farm.

Current developments

These underlying factors have operated throughout the period. The most recent changes, however, reflect the inflationary pressures and rapidly rising costs which have affected the whole economy over the past four years. The particular sensitivity of government expenditures to inflationary pressure is largely due to the fact that government (including education) is a labour-intensive industry. Probably 70 per cent of operating expenditures in education are wages and salaries, and most other functions of government show similar patterns. Productivity gains are difficult to measure or even define in the government sector, so that as salaries have risen (generally at similar rates to those in the private sector) the price and cost indicators relating to the public sector have been advancing particularly rapidly.

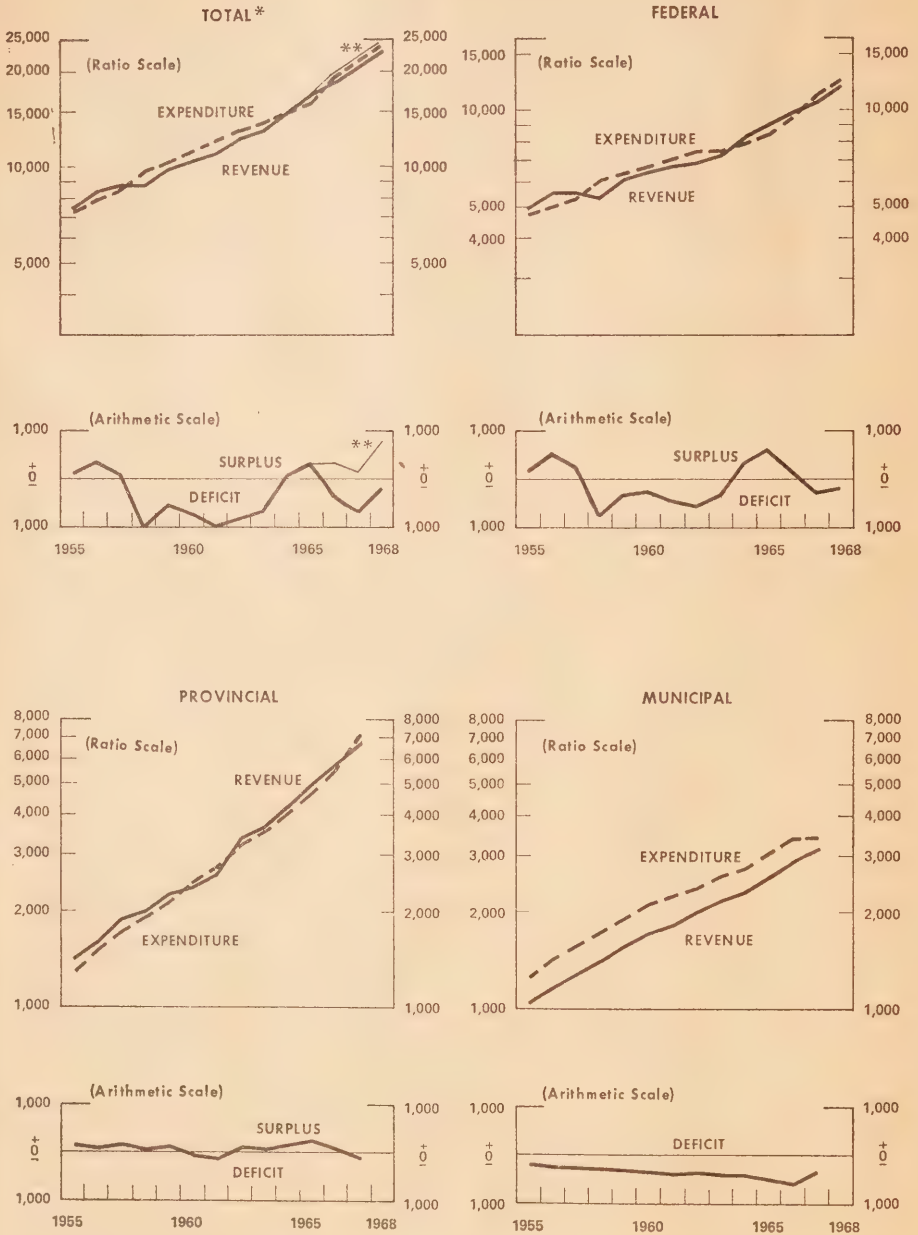
In this situation, with growing demand compounded by inflationary trends, government efforts to moderate demand expansion have reduced rates of ex-

CHART 20

GOVERNMENT REVENUE AND EXPENDITURE

NATIONAL ACCOUNTS BASIS

(Millions of Dollars)



*Excluding Intergovernment Transfers

**Including Canada and Quebec Pension Plans

penditure growth rather than changed their direction. Governments have therefore had recourse to increases in taxation as well as to the growth in revenue resulting from expansion and inflation. As a result, their total revenues have risen at annual rates of 12 to 15 per cent. These actions and the operations of the Canada and Quebec pension plans resulted in a surplus, on a national accounts basis, of \$800 million in 1968.

Leaving out of account the transactions of the Canada and Quebec pension plans, the overall deficit position of governments was substantially reduced from \$729 million (national accounts basis) in 1967 to \$190 million in 1968. The reduction was accounted for mostly by a change in the provincial government position from a deficit of around \$125 million in 1967 to an estimated surplus of more than \$300 million in 1968. However, irregular variations in the quarterly pattern of provincial-municipal revenues and expenditures over the past year affect the statistical results. Fiscal year figures, more reliable for provincial comparisons, will likely show a more gradual (and not as large) reduction in the provincial-municipal deficit in 1968-69.

The detail underlying the transactions of the government sector on a national accounts basis is presented in reference tables 48 to 55.

Revenues of governments

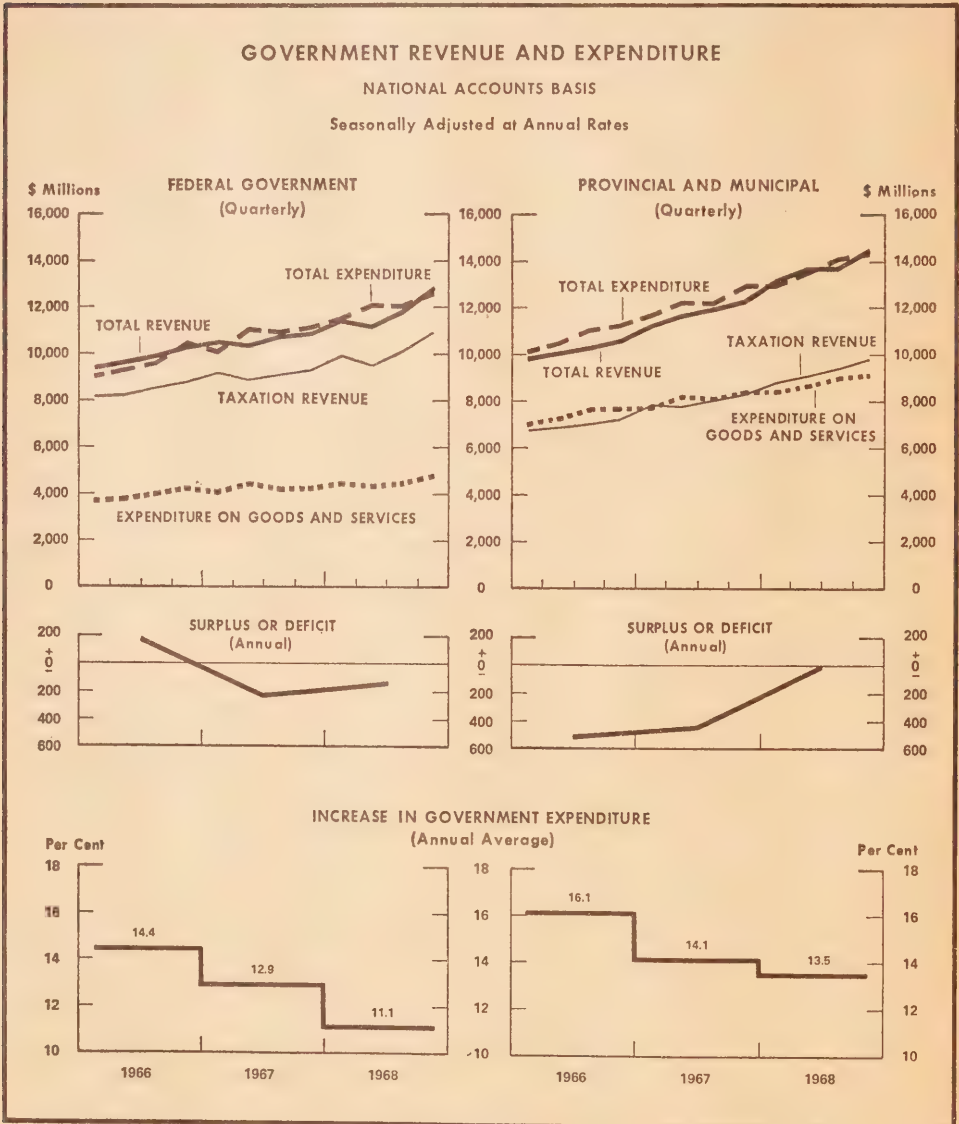
Government revenues in 1968, exclusive of intergovernmental transfers, totalled \$24.2 billion, some 13.3 per cent above their 1967 level. A strong economic expansion was largely responsible for this increase, and important tax changes made it more pronounced at the provincial-municipal level. Direct taxes, accounting for approximately 40 per cent of government revenues, rose by more than 20 per cent with the rapid expansion of both personal and corporate direct taxes at the federal and provincial levels. A growth in labour income of more than 8.5 per cent, along with personal income surtaxes at the federal level and in the Province of Quebec, and increased hospital insurance premiums in Manitoba and Ontario, accounted for a 21 per cent gain in personal direct taxes. Corporate tax liabilities rose by 17 per cent in 1968, reflecting the rapid growth of corporate profits and a 3 per cent federal surtax.

Federal receipts of indirect taxes increased by less than two per cent in 1968 while provincial-municipal revenues from corporate, property and consumption taxes rose by more than 13 per cent. The lower increase at the federal level resulted from the implementation of the first Kennedy Round tariff cuts, and the exemption of drugs and production machinery from sales tax. Provincial-municipal corporate, property and consumption taxes, on the other hand, were affected by numerous increases in rates and reduced exemptions during 1968, which may have accounted for one quarter of the revenue gain. Investment

income, employer and employee contributions to social insurance and receipts under the Canada and Quebec pension plans added 15 per cent of the revenue increase in 1968.

Provincial-municipal revenues were also assisted by a 23 per cent rise in receipts from the federal government. These mainly reflected higher payments for hospital insurance, post-secondary education, the Canada Assistance Plan and general fiscal arrangements.

CHART 21



Expenditures of governments

Expenditures of governments, excluding intergovernmental transfers, increased in 1968 by 10.3 per cent, continuing the deceleration from the 15 per cent increase of 1966. Restraint is most evident in payment for goods and services, which grew by about 8 per cent as compared with gains of 17 and 10 per cent in 1966 and 1967. Federal purchases of goods and services rose by 5 per cent, while provincial-municipal purchases of goods and services increased by 9 per cent. Additional wage and salary increases have accounted for a large proportion of the increased outlays on goods and services. As in 1967, transfers to persons, which include debt charges, contributed very substantially to the expenditure growth. At the federal level, the reduction on the minimum age limit for old age security payments, additional transfers for adult training allowances and increased payments out of the unemployment insurance fund largely contributed to the increase in transfer payments. At the provincial-municipal level, the continued expansion of universities and higher education as well as other social services called for a rapid growth in transfers to individuals.

TABLE 7
CONSOLIDATED GOVERNMENT EXPENDITURE
1960-61 and 1964-65
and estimates for 1968-69

	1960-61	Per cent of Total	1964-65	Per cent of Total	1968-69	Per cent of Total	Percentage Annual Growth	
							1960-61 to 1964-65	1964-65 to 1968-69
	\$m		\$m		\$m			
Defence and veterans.....	1,830	17.0	1,919	13.3	2,224	9.4	1.2	3.8
Health and sanitation.....	984	9.1	1,604	11.1	2,680	11.4	13.0	13.7
Social welfare.....	1,629	15.1	2,246	15.6	3,271	13.9	8.4	9.9
Education.....	1,578	14.6	2,450	17.0	4,625	19.6	11.6	17.3
Transport and communications.....	1,452	13.5	1,772	12.3	2,560	10.9	5.1	9.7
Natural resources and primary industry.....	567	5.2	624	4.3	1,080	4.6	2.4	14.7
Debt charges.....	817	7.6	1,147	7.9	2,101	8.9	8.8	16.3
Other.....	1,927	17.9	2,674	18.5	5,001	21.2	8.6	16.9
Total.....	10,784	100.0	14,435	100.0	23,543	100.0	7.6	13.0

EXTERNAL FINANCIAL RELATIONSHIPS

The external environment

The past year saw strong economic growth in most of the industrialized countries of the free world. There was also a most welcome development in the pattern of longer-term capital movements, which improved the financing of imbalances on current account resulting from fluctuations in trade.

Nevertheless, 1968 brought a succession of international monetary and exchange crises, of a frequency and severity hitherto unknown in the postwar period. In some cases inflationary trends certainly led to doubts about the stability of particular currencies on straightforward balance of payments grounds. But

it was also a year of social upheaval in many countries and of generalized nervousness about all currencies and about the adequacy of the international financial system. Private short-term funds moved across the exchanges in very substantial volume by comparison with past experience.

The trigger was the devaluation of sterling, in November 1967; but the ensuing ripples of nervous speculation more than once involved evident over-estimation of the underlying currency risk, not least in the case of the Canadian dollar itself, but also in the cases of several European currencies.

Relative calm has prevailed since the meeting of Ministers and Governors of the Group of Ten countries in Bonn in November last. Rising levels of real investment in some countries, the prospect of the impending creation of Special Drawing Rights in the IMF, and the continued high volume of flotations in international bond markets, all combine to offer some promise that reasonably well-balanced economic and social policies henceforth may restore sufficient confidence to enable the international system to continue to function as effectively as it very clearly has done over most of the postwar period.

Government and private borrowing abroad

As already noted, the monetary crises of 1968 did not seriously impede development of longer-term capital markets on an international basis. The year saw significant and welcome growth in the European markets as sources of funds for the world at large. New international bond issues outside the United States increased to \$4.7 billion, from \$2.4 billion in 1967 and less than \$1.5 billion in earlier years.

Canadian borrowing outside Canada rose to a record \$1,889 million (gross new bond issues delivered), with a substantial carry-over of undelivered bonds at the year-end. Retirements of \$394 million left net new borrowings very close to \$1.5 billion. These borrowings reflected the rapidly growing need for funds on the part of Canadian borrowers, at a time when domestic capital markets were disturbed. Occurring as they did in a year which saw a much reduced deficit on current account, they left ample scope for continued heavy purchases of U.S. equities.

The most striking development with regard to Canadian borrowing abroad in 1968 was, of course, the extent to which it was carried out in European markets, especially the Eurobond and Deutsche Mark markets; these accounted for \$540 million of the \$1.9 billion of gross new issues, and this newly-developed flow has continued into 1969. But at the same time, this new source of funds did not drastically diminish the momentum of the more traditional Canadian borrowing in the United States, which reached \$1,349 million in gross new issues, or very little less than the record level of \$1,357 million recorded in 1966. The federal government placed \$92 million (Canadian equivalent) in the New York market, with some \$21 million in addition for delivery after the end of the year, and \$176 million in Italy and Germany. Provincial and municipal governments again accounted for the majority of the remainder, as in 1967, but there was a sharp recovery in corporate borrowings.

The capital account of the Canadian balance of payments

In contrast to the disrupted pattern of the first quarter of 1968, and the subsequent readjustments which occupied a good deal of the second quarter, the closing months of last year saw capital flows between Canada and the rest of the world fall into a more normal pattern for recent years. In most sectors of the account activity was at very high levels, which resulted in record net movements of some types of capital for the year as a whole.

It is noteworthy that most of this activity in the second half of the year seems to have been neither prompted nor interrupted to any significant extent by the major international currency crisis of November, centering on the Deutsche Mark, the French franc and sterling. As during the similar but somewhat less severe exchange crises of May and August, both the U.S. and Canadian dollars remained largely unaffected by the monetary upheaval in Europe; and the developing participation by North American borrowers in European capital markets suffered no serious setback. Moreover, flows across the exchanges as a result of changes in bank balances in 1968 were not particularly large by the standards of recent years. Large net flows and sharp swings from one quarter to another characterized years such as 1962, 1964 and 1967, and might have been expected to accompany both the domestic and overseas currency crises of 1968 as well; but in the event there were only quite modest, though persistent, outflows of banking funds during most of the year, and a small net inflow in the second quarter, when swapped deposits were being run down.

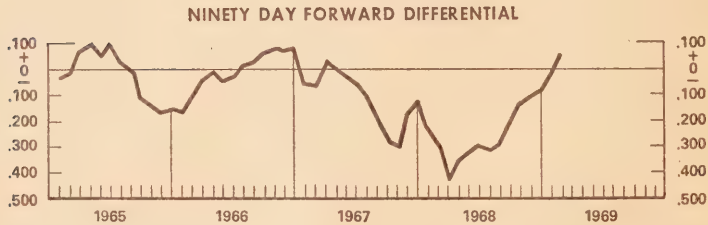
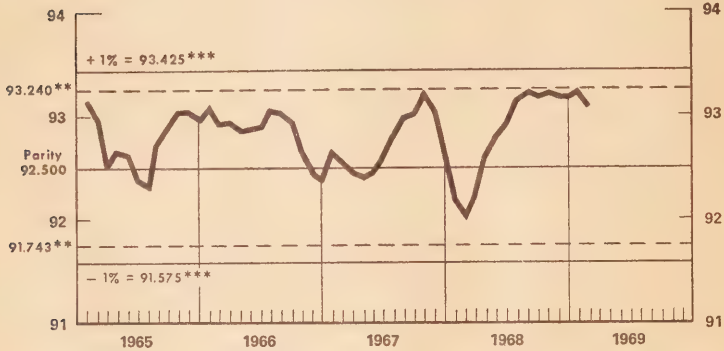
It is also clear, however, that short-term funds of other kinds did move in considerable volume during 1968. The net outflow on account of bank balances and similar short-term funds for the year as a whole amounted to \$373 million, but other short-term transactions resulted in a net outflow of another \$637 million, for a record total of just over \$1 billion. Net repurchases of short-term Canadian corporate paper, especially finance company paper, were a more significant element in this outflow (\$127 million) than in some previous years. But they were offset by increases in Canadian dollar holdings of foreigners, including international institutions. Thus, on balance, the short-term outflow other than on banking account was more than accounted for by "all other" transactions.

The contribution to this residual of the balancing item representing all unidentified transactions was discussed at some length in the last Budget Papers. While far from explaining the relatively sudden emergence of large negative balances during 1967 and 1968, a substantial positive balancing item in the fourth quarter of 1968 does tend to suggest a degree of seasonality in the balancing item; this seasonality had evidently been temporarily disrupted by the weakening of the Canadian dollar toward the end of 1967.

It would seem that new problems of measurement, rather than of coverage, have arisen in recent years, and that these are related especially to "leads and lags" in a broad sense, affecting current and capital transactions of many kinds and not necessarily or even normally arising out of particular pressures on particular currencies. In view of the significant increase in the magnitude and

sophistication of international corporate transactions in the sixties (and especially of intracorporate transactions across the exchanges) it is perhaps only surprising that such statistical problems did not arise sooner and have not become more widespread.

CHART 22
CANADIAN DOLLAR IN UNITED STATES FUNDS*
AVERAGE NOON RATES
(U.S. Cents per Unit)



*Inverse of quotations for U.S. dollar in Canada

**Limits at which the Exchange Fund Account has undertaken to sell or buy U.S. funds without limitation in the wholesale market

*** Absolute parity limits

Leads and lags of various kinds clearly occurred during the Canadian exchange crisis in the early months of 1968. The fact that they arose in the relatively unusual field of long-term direct investment flows, both inward and outward, perhaps reflects a somewhat greater flexibility in these flows than would be the case for most other countries, as a result of closer inter-corporate links, but probably represents also the delayed effect of weakening confidence during the closing weeks of 1967. The direct investment inflow into Canada which dried up during the first quarter was subsequently resumed, and the total of \$585 million for the year represented little change from the relatively high 1967 level. Direct investment abroad by Canadians rose sharply to \$170 million from abnormally low net levels in 1966 and 1967. There was evidently some anticipa-

tion involved in the \$85 million total for the first quarter, as there was net disinvestment in the second quarter, but the fourth quarter especially saw further large investments abroad.

In the field of Canadian borrowing abroad through the issue of long-term securities, discussed above, anticipation seems to have become habitual. Since mid-1967, the carry-over of Canadian bonds offered in the U.S. market but not yet delivered by the end of the quarter has never fallen below \$350 million and in most cases has equalled or exceeded the total value of bonds actually delivered during the quarter. The carry-over was relatively constant at \$350 to \$440 million until the fourth quarter of 1968; a very large bond issue for considerably later delivery, related to the Churchill Falls hydro-electric development, then raised the total of offerings to the unprecedented level of \$857 million, resulting in a carry-over at the year-end of no less than \$923 million.

For the first time in several years, net trade with non-residents in outstanding Canadian securities resulted in a moderate net inflow of funds, as net sales of common and preference stocks exceeded net repurchases of bonds and debentures by \$42 million. This was dwarfed, however, by the outflow of funds for the acquisition of foreign, chiefly U.S., securities. This has been in excess of \$400 million in each of the past three years and last year rose to \$464 million.

Receipt of \$88 million in respect of the Columbia River Treaty represented a payment by the U.S. equivalent to \$56 million in Canadian funds for flood-control benefits, the last major payment of this kind, in addition to the regular annual encashment of a medium-term U.S. Treasury bond for \$32 million (Canadian).

Despite the continued high level of Canadian borrowing in the United States, the net inflow of long-term capital in all forms from that country fell back from nearly \$1½ billion in 1967 to just over \$1 billion in 1968. At this level, it was virtually equal to the current account deficit with the United States; this fell by about \$400 million, as the sharp reduction in the Canadian surplus on travel from that of Centennial year was more than compensated for by the swing into small surplus on merchandise trade. The bilateral deficit with the United States on current and long-term capital accounts therefore fell from \$264 million to only \$5 million, but a substantially larger net outflow of short-term capital to the United States offset this. Net current account earnings and borrowings in third countries rose substantially in 1968, and were available to cover the overall bilateral deficit with the United States of some \$1.1 billion and to increase Canadian reserves.

The reserves

The net capital inflow of \$534 million in 1968, including the long-term foreign borrowing of \$268 million by the Government of Canada, comfortably exceeded the net current account deficit of \$181 million. The official monetary position therefore improved over the year as a whole by \$353 million, as the heavy losses of the first quarter were more than recouped. International assistance of \$742 million was received during the first quarter and the reduction in gold and foreign exchange was thereby limited to \$23 million (Canadian equivalents).

That portion of the IMF drawing which represented Canada's gold tranche position was reconstituted in the second and third quarters, and a net creditor position of U.S. \$21.2 million had been built up again by the end of 1968 (as against U.S. \$248.4 million at end-1967, prior to the crisis). The reciprocal swap facility with the Federal Reserve System, which had been drawn upon to the extent of U.S. \$250 million, was wholly reconstituted by the end of the third quarter, with some drawing-down of official reserves in that quarter for the purpose. Substantial increases in the holdings of foreign exchange in the second and fourth quarters, to give a net increase of \$604 million (Canadian) for the year as a whole, resulted from the strong current account position and the high level of long-term capital inflow, including the federal government's borrowing abroad in the second quarter.

	December 1967	March 1968	June 1968	December 1968	April 1969
	(Millions of U.S. dollars at month end)				
Official holdings of gold and U.S. dollars.....	2,267.8	2,244.0	2,574.0	2,826.8	2,782.3
IMF creditor (+) or debtor (-) position.....	+248.4	-185.0	- 64.0	+ 21.2	+ 46.2
Federal Reserve swaps outstanding.....	—	-250.0	-125.0	—	—
Net Total.....	2,516.2	1,809.0	2,385.0	2,848.0	2,828.5

By an exchange of letters on December 17 between the Minister of Finance and the then Secretary of the U.S. Treasury, Mr. Henry Fowler, the arrangements between the two countries in the balance of payments field were restated and clarified. Under these arrangements, the support which Canadian international transactions provide for the position of the U.S. dollar is recognized in the exemption of Canada from certain U.S. balance of payments measures, including especially the Interest Equalization Tax, insofar as it relates to new issues, and restraints on direct investment; it is also reinforced by Canadian undertakings not to permit transactions in contravention of the U.S. programmes to be channelled through Canada, and by Canadian reserves investment policy. In the letters it was agreed that the undertaking by Canada not to increase its reserves through unnecessary borrowings in the United States does not require that the level of those reserves be limited to any particular figure.

DEVELOPMENTS IN DOMESTIC FINANCIAL MARKETS

Financial developments in the United States during 1968 had a significant impact on financial markets in Canada and Europe. The U.S. dollar was among the currencies which came under attack through the first quarter of 1968. Short-term interest rates rose sharply during February and March and the U.S. discount rate was raised to 5 per cent in March and to 5½ per cent in mid-April. Banks' loans and investments, which had increased at an annual rate of about 7 per cent in the first quarter, experienced a growth of only about 3 per cent in the second quarter. Faced with uncertain markets and serious inflationary pressures, U.S. financial institutions built up their liquidity and longer term investment funds became increasingly difficult to attract.

CHART 23
INTERNATIONAL INTEREST RATE COMPARISONS
 (Monthly)



*Salomon Brothers and Hutzler three month Eurodollar rate.

**Hedged spread between Government of Canada and United States Treasury Bills.

*Average yield on the 10 provincial bonds included in the monthly series published by McLeod, Young, Weir and Co., Ltd.

**Source: O.E.C.D. and the Weekly Bond Buyer Bontrade Index.

***Moody's Investors Service Inc., average yield on public utility bonds.

****Spread between average yield on Canadian Provincial and U.S. Public Utilities long term bonds.

However, the climate changed in June, when Congress passed the 10 per cent income tax surcharge and approved reductions in budgetary expenditures. As a result, there were expectations that the economy would be less strong in the second half of 1968 and that inflationary pressures would diminish. On August 15 the rediscount rate was reduced by $\frac{1}{4}$ per cent to $5\frac{1}{4}$ per cent, reflecting some easing of interest rates generally. This easing also occurred in Canada, where four successive declines in the Bank Rate took place, from 7 $\frac{1}{2}$ per cent in March to 6 per cent on September 3, 1968.

In the second half of the year, evidence developed that the U.S. economy was not responding as rapidly as expected to the fiscal measures, and that inflationary pressures still were persisting. Interest rates again began to move up. The Federal Reserve raised the discount rate to $5\frac{1}{2}$ per cent in December as the heavy demand for funds persisted.

Pressure on the U.S. banks was reflected in a sharp increase in their borrowings from the Federal Reserve and in their increasing reliance on the Eurodollar market. This pressure on the U.S. banks occurred particularly toward the year-end, when the discount rate was increased while the maximum rates that U.S. banks were permitted to pay on term deposits were left unchanged. As money market rates rose relative to these regulated rates, the banks experienced a sharp run-off of certificates of deposit. This run-off amounted to over \$4 billion during the first quarter of 1969, following a decrease of \$1.5 billion in December. Borrowing in Europe by large New York City banks increased by about \$2.0 billion in the same period, and the demand for funds continued sufficiently strong to push up Eurodollar rates to a level of $8\frac{1}{2}$ per cent in March 1969. The liabilities of U.S. banks to their foreign branches, which totalled about \$4 billion at the beginning of 1968, increased to \$6 billion during the summer and reached \$8 billion at the beginning of 1969.

High interest rates and scarcity of funds for long-term fixed income investments both in the United States and Canada encouraged many borrowers to rely on the European capital market. Although this market was supplying mostly medium-term funds in the first part of 1968, it was able to supply more and more long-term funds in the second half of the year. With Germany enjoying a large current account surplus in its balance of payments, the market for international bond issues reached a volume of new issues of about \$5 billion in 1968, more than double that of the preceding year. Germany supplied more than 25 per cent of these funds.

Since mid-1968, the historic spread between German and U.S. interest rates has completely disappeared, as the German current account surpluses were accompanied by declining interest rates at a time when North American rates were rising. For the first time in recent history this market became attractive to North American borrowers, and North American obligations became attractive to the market; Canadians took advantage of it on a substantial scale. With an unreceptive Canadian market and a scarcity of funds in the United States, Canadians turned to the Eurobond market where medium and long-term funds were both available and obtainable at rates that were more attractive than those in North America. Of the total \$540 million raised by Canadians in this market in 1968, more than half was accounted for by provincial governments and their agencies. There was also a more modest increase in net new issues sold in the United States.

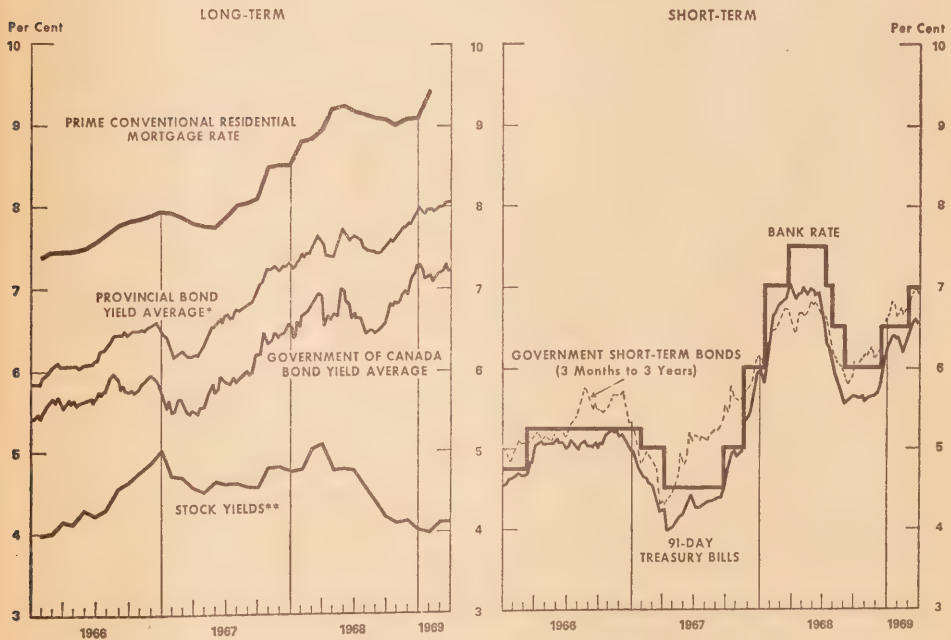
Bond market financing

The continued strong demand for capital by Canadians in 1968 contributed to the forces which maintained very high levels of interest rates for most of the year. In 1968, total net new issues of bonds in Canada and abroad by all levels of governments and corporations amounted to over \$3.9 billion, about 5 per cent above the relatively high level of 1967. Net new marketable bond issues placed in Canada were almost \$500 million lower than in the previous year, and net sales of Canada Savings Bonds were \$200 million lower. This reflected a growing reluctance on the part of Canadian investors to commit funds for investment in long-term fixed-income securities. On the other hand, new funds raised through the placement abroad of foreign-pay bond issues

more than doubled, rising to approximately \$1.6 billion. Details of changes in market bonds and Canada Savings Bonds outstanding in each of the years 1964 to 1968 inclusive are shown in reference table 69.

In 1968, the level of outstanding Canadian dollar marketable bonds of the Government of Canada rose by \$1.2 billion, compared with an increase of \$800 million in the previous year. In the same period, outstanding Canada Savings Bonds increased by only \$38 million, compared with \$230 million in 1967, although gross sales of the 1968 series amounted to \$3.2 billion. Provincial and municipal net new domestic bond issues amount to \$723 million, considerably lower than the \$1.2 billion level in 1967. New corporate bond issues in the Canadian market, at \$390 million, were less than half of the level of the year before. Provinces and municipalities borrowed, in total, for the first time, more abroad than in Canada. The outstanding foreign debt of provinces and municipalities increased by \$927 million in 1968, sixteen per cent greater than the very high increase recorded in 1967. Corporate issues denominated in foreign currencies were almost three times the level of 1967 but considerably lower than in 1966.

CHART 24
SELECTED INTEREST RATES, CANADA



*Average weekly yield on the 10 provincial bonds included in the monthly series published by McLeod, Young, Weir and Co., Ltd.

**Average stock yield on 114 stocks as compiled by Moss, Lawson and Co., Ltd.

There was a considerable change in the flow of funds within the market between the first and second halves of 1968. The net new issue of marketable bonds in Canadian dollars in the second half of 1968 was about \$570 million

higher than in the first half. Taking into account a swing between the two halves of the year of almost \$1.1 billion in Canada Savings Bonds outstanding, which was much larger than the normal seasonal change, the issue of bonds (including the new series of Canada Savings Bonds) in the domestic market reached approximately \$2 billion in the second half of the year.

The chartered banks were again a major source of funds during the year, taking up approximately \$1.1 billion of the new bonds offered, an increase of 25 per cent over the relatively high level of 1967. Of this amount, \$936 million represented an increase in holdings of Government of Canada bonds (of which about \$400 million were Treasury Bills) compared with an increase of \$744 million in 1967. The Bank of Canada purchased a net amount of \$136 million in the year as a whole.

A very large proportion of the federal government's domestic financing needs during this period, which as noted above were met in large part by the chartered banks, was a consequence of the purchases of foreign exchange by the Exchange Fund. Many Canadian borrowers found it more advantageous during this period to raise funds outside Canada than in Canadian financial markets. The net inflow of capital, of which this borrowing was a part, exceeded the Canadian current account deficit. The excess of foreign exchange had to be purchased and held by the Exchange Fund. In order to purchase this foreign exchange, the Fund required advances of Canadian dollars from the Minister of Finance, thereby increasing the financial requirements of the federal government. In the circumstances, the transfer of borrowing activity outside Canada by entities other than the federal government did not result in an equivalent reduction in the total pressure of demand for funds in the Canadian capital market. The series of transactions had the effect of transferring the necessity to borrow in Canada from other borrowers to the federal government. The Canadian funds which the borrowers needed and which in other circumstances might have been supplied by a variety of financial intermediaries were supplied in large part by the chartered banks. Their purchases of obligations of the Government of Canada provided the Exchange Fund with Canadian dollars which it supplied to Canadian borrowers other than the federal government in exchange for the foreign currency they had borrowed outside Canada.

Net new purchases of bonds in 1968 by non-bank residents, at \$1.4 billion, including Canada Savings Bonds, represented a significantly smaller amount of new issues than in the previous several years, and the lowest proportion for many years of total financing in the bond market. On the other hand, purchasers of foreign-pay bonds financed over one-third of the increase in outstanding marketable bonds.

Federal government debt operations

The federal government began the 1968-69 fiscal year with relatively large Canadian dollar cash balances of \$997 million. To a considerable extent this represented Canadian dollar proceeds from the sale of foreign exchange during the exchange crisis in the latter part of the previous fiscal year, and provided the government with some flexibility in the timing of market financing in the early months of 1968. The renewed strength of the Canadian dollar and the

replenishment of foreign exchange reserves between mid-March and the end of August, as noted, involved large cash outlays of Canadian dollars as foreign exchange was repurchased on a large scale. In fiscal year 1967-68, foreign exchange transactions provided cash receipts in a net amount of \$812 million; in 1968-69 they required a cash outlay estimated at \$1,048 million.

TABLE 8
GOVERNMENT OF CANADA CASH REQUIREMENTS AND SOURCES OF
FINANCING
(by fiscal years)

	1967-68	1968-69*
	(Millions of dollars)	
Cash Requirements		
Budgetary.....	795	566
Non-budgetary excluding all foreign exchange transactions.....	606	325
Sub-total.....	1,401	891
Foreign exchange transactions cash requirements (+) or receipts (-)	-812	+1,048
Overall cash requirements.....	589	1,939
Sources of Finance		
Market bonds ⁽¹⁾		
Gross new issues.....	2,235	2,344
Retirements.....	1,885	1,341
Net.....	350	1,003
(of which foreign pay).....	(-205)	(282)
Treasury Bills.....	170	360
Canada Savings Bonds.....	80	72
Non-marketable and other ⁽²⁾	190	88
Total.....	790	1,523
Changes in Receiver General bank balances.....	201	-416

⁽¹⁾CNR included under non-budgetary.

⁽²⁾Includes UIC and CPP bonds, Securities Investment Account and securities held for retirement of unmatured debt.

*Preliminary

Other major factors affecting the magnitude and timing of market debt operations in the current fiscal year were the heavy net redemptions of Canada Savings Bonds up until October and the larger budgetary requirements which became apparent after mid-1968.

The federal government, along with other Canadian borrowers, was confronted with a reluctance on the part of investors to commit investment funds in long-term bonds. Hence, high yields and short maturities were necessary on new issues to attract buyers, resulting in an increase in debt charges and a shortening of the average term to maturity of the outstanding debt. The budgetary provision to meet debt charges in fiscal year 1967-68 amounted to \$1.3 billion; in 1968-69 it amounted to \$1.5 billion. As at January 1969, the average term to maturity of the government's outstanding direct and guaranteed securities had shortened by eight months from the beginning of 1968 and stood at 6 years 3 months. The following paragraphs trace the main features of the government's debt programme through the fiscal year 1968-69.

The first refunding of the past fiscal year, which was offered in mid-March for delivery on April 1st, occurred immediately following the height of the foreign exchange crisis, when interest rates were at very high levels and Bank Rate stood at $7\frac{1}{2}$ per cent. This issue comprised \$275 million of bonds having maturities of 1 year and 5 years; the latter maturity offered the first 7 per cent coupon on a federal government issue and was priced to yield 7.30 per cent. Although no new money was raised, \$100 million of bonds maturing later in 1968 were pre-refunded at this time. On May 15, \$56 million of CNR bonds were redeemed for cash out of government balances.

To assist the replenishment of foreign exchange reserves without drawing down Canadian cash balances, the government floated in May a \$68 million Canadian equivalent Deutsche Mark loan in the Eurobond market, and placed a \$108 million equivalent Italian lire loan directly with the Italian Exchange Office. In June a loan for the equivalent of \$108 million, subject to delayed delivery contracts, was issued in the United States.

As prevailing high levels of interest rates presented Canada Savings Bonds holders with relatively attractive alternatives, unusually large net redemptions occurred in the first half of the year. This, combined with re-purchases of foreign exchange after mid-March and the fact that some \$700 million of the 1959 series of Canada Savings Bonds were scheduled to mature in November 1968, posed special debt management problems. In May a Special Replacement Series of Canada Savings Bonds was offered to refund in advance the 1959 series. The new series was offered initially to holders of the 1959 series in exchange for the maturing bonds; subsequently it was offered for cash during a limited period. The issue was a success and was terminated on May 23, with total sales amounting to \$850 million, of which \$538 million represented a refunding of the 1959 series. The new bonds offered the investor a compound interest feature, which would double his money in 10 years and 5 months, and a record high annual average yield of 6.88 per cent if held to maturity.

The bond market in Canada, following similar developments in the United States, improved considerably in price and tone during the summer months. In view of the continuing cash requirements, including the need to meet net redemptions of Canada Savings Bonds, a refunding on June 15 raised \$105 million in new cash, a further \$150 million was provided by a special 364-day Treasury Bill issue on June 28, and \$300 million was raised in a cash offering on August 1. The issue in August stimulated considerable interest in the market and, in addition to the new cash raised, the government pre-refunded \$100 million of bonds maturing later in the year.

As noted, the tight credit conditions which prevailed during the period of recovery from the exchange crisis were relaxed to some extent during the summer months. Chartered bank holdings of government bonds, which had remained relatively level in the first half, rose sharply during the second half of 1968, making possible the success of the government's market financing from June to the end of 1968, at a time when foreign exchange reserves were being rebuilt. The October 1 refunding provided also an opportunity to raise \$275 million in new cash, and for the first time since April 1, 1967, a long-term bond was included in the offering.

In view of the large cash requirements of the government and the difficult conditions of the bond market, the regular Canada Savings Bonds campaign beginning in October was particularly significant. The terms of the new series, which had to be set in August, reflecting the prevailing high yields of competitive investments, were the most favourable ever offered on a regular issue. The new bonds offered an annual average yield of 6.75 per cent if held to maturity, and a compound interest feature which would permit an investor to realize two and one half times his original investment in 14 years. Net sales of Canada Savings Bonds during the campaign period to the end of November 1968 amounted to \$891 million compared with \$637 million in the same period of the 1967 campaign. Because of the unusually high level of redemptions in the earlier part of the year, the value of Canada Savings Bonds outstanding at the end of the fiscal year 1968-69 was virtually unchanged from the previous year-end.

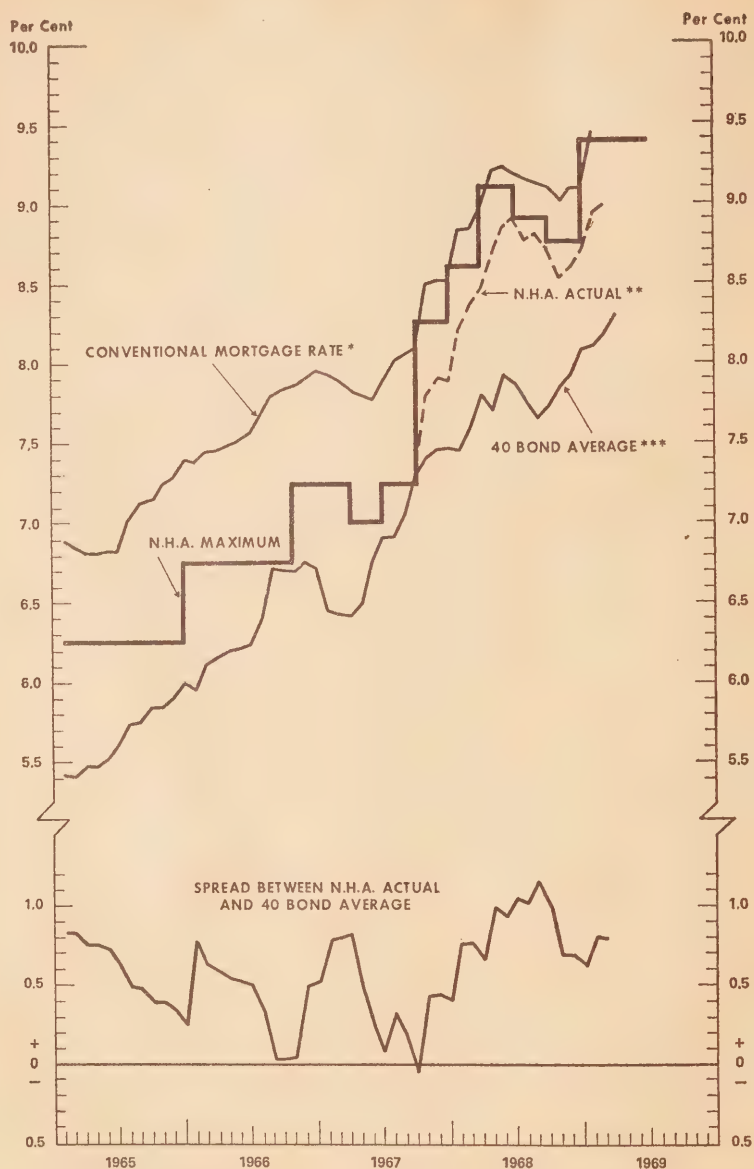
In the last few months of 1968 interest rates in both Canada and the United States moved sharply upward again as monetary conditions tightened. On November 29, \$50 million of the \$125 million special 364-day Treasury Bills maturing on this date was refunded, to keep to a minimum pressure on a deteriorating capital market while maintaining adequate working levels of government cash balances. Net new issues of Treasury Bills (including the use of one-year Treasury Bills) totalled \$360 million, and constituted a particularly significant means of financing in the fiscal year, reflecting the liquidity preference of the market and the difficulties of longer-term financing. At the time of the December 15 refunding, the Minister of Finance stated that he considered it prudent to raise \$50 million in new money in view of recent foreign exchange purchases, and announced a \$100 million advance refunding of bonds maturing in July 1969 to assist in debt management operations in the early part of the next fiscal year. It did not prove necessary to have another bond issue in the fiscal year 1968-69.

Housing finance

The financing of housing construction last year overcame investors' general resistance to long-term fixed income securities by means of high rates on mortgages. The investment of private capital in mortgages increased substantially in 1968, and despite an appreciable decline in direct loans by CMHC, housing starts were 20 per cent higher than in 1967, rising to 197,000 units from 164,000 units. The recovery of the housing sector in 1968 was due largely to two factors. One was the change in the Bank Act in 1967, allowing the purchase of conventional mortgages by chartered banks. The second was the decision, in the fourth quarter of 1967, to modify the formula used to calculate the ceiling on loans insured under the National Housing Act. In September 1967, the Government decided to fix the maximum rate for NHA insured loans at $2\frac{1}{4}$ per cent above the average yield on long-term Government of Canada bonds calculated to the nearest $\frac{1}{8}$ of 1 per cent, the widest yield permitted under the National Housing Act. (Since November 1966, a spread of $1\frac{1}{4}$ per cent, calculated to the nearest $\frac{1}{4}$ per cent, had been used). This new flexibility in the rate succeeded in attracting large sources of private funds for investment in housing mortgages, and in easing somewhat the extent of government direct financing of housing construction.

CHART 25

MORTGAGE RATES AND BOND YIELDS



*Average of prime conventional mortgage interest rates.

** Average N.H.A. interest rate on home-ownership loans by approved lenders. Up to and including Sept. 1967, this rate was generally the same as the maximum on N.H.A. insured loans.

***Month-end arithmetic average of forty municipal, provincial, public utility and industrial bonds, as compiled by Mcleod, Young, Weir and Co., Ltd.

In 1968 total private lending, both conventional and NHA, increased by 27 per cent to \$2.7 billion. In the same period, CMHC approvals of direct loans for housing and associated purposes declined by \$234 million to just over \$500 million.

The activity of the private lending institutions brought about an unprecedented increase of 39.2 per cent in the construction of multiple rental dwellings. Two major factors influenced this concentration of investment, in addition to the high occupancy rate and heavy demand for such accommodation. In February last year, the ceiling per unit for NHA insured loans on multiple unit housing was increased from \$12,000 to \$18,000, and, in the case of a rental loan made to a corporate borrower, the possible lock-in period was extended to within 10 years of the term of the loan, which can be as long as 35 years. The increase in construction starts of single family or semi-detached dwellings for the whole of 1968 was 3.6 per cent.

The expectation of continued inflation made itself felt in the application of various mortgage techniques. For example, an increasing number of mortgage loans for large projects were combined with a direct equity participation, an indication of the caution which existed despite the wide spread between the rate of interest payable on mortgages and that on long-term Government of Canada bonds. Other developments made it possible for investors to participate in the mortgage market by purchasing shares in companies specializing in the financing of large construction projects or by buying blocks of mortgages of a specified maturity and yield.

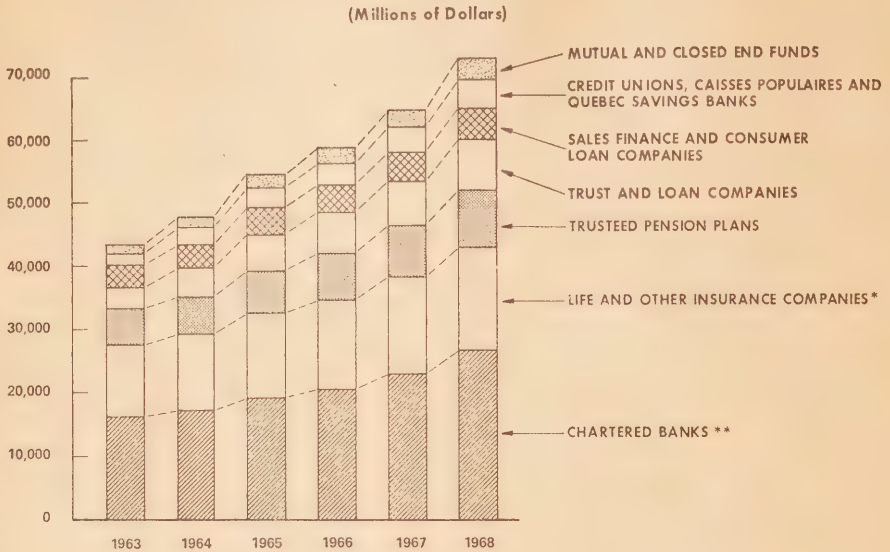
While all major financial institutions increased their holdings of mortgages in 1968, as shown in reference tables 72 to 78, the rate of increase varied considerably among different institutions. The value of gross NHA insured loans approved by the banks almost tripled compared with 1967, and trust, loan and insurance companies as a group almost doubled their insured loans. NHA insured loans provided by all approved lenders in 1968 increased by 125 per cent in gross number of loans and by 135 per cent in value over 1967, and were made, on average, somewhat below the NHA interest rate ceiling. Conventional loans, which increased by one-third in value, provided a bit more than one-half of the new residential mortgage funds made available by private lenders. These developments are summarized in reference table 70.

Financial flows and financial institutions

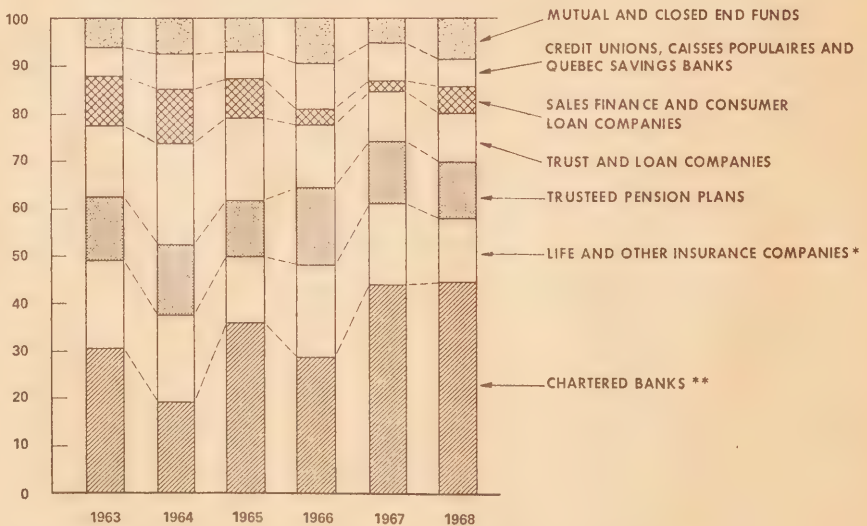
The judgment and decisions of financial institutions, as collectors of savings, and of large investors, are important factors in the allocation of resources throughout the economy. The role of financial institutions in total credit flows, and the relative position of each group of institutions within the total financial structure, depend on the legal framework within which they operate, their own efficiency and enterprise, and, most significantly, on the preference of the investing public for various forms of liabilities offered by each group or institution and the willingness or ability of the institution to meet these preferences.

CHART 26

ASSETS OF SELECTED FINANCIAL INSTITUTIONS



PERCENTAGE DISTRIBUTION OF TOTAL ANNUAL INCREASE



* Canadian assets of federally-registered life insurance companies physically held in Canada. Others includes all assets of both federal and provincial fire and casualty companies in respect of business in Canada.

** Includes foreign currency assets net of foreign currency liabilities

Three readily discernable factors affected the relative growth of financial institutions in 1968. First, most institutions were continuing to adjust to the new competitive forces introduced by the revised Bank Act which became law in May 1967. Secondly, in an effort to increase earnings and improve their competitive position, many institutions accelerated their investment in common stocks, both foreign and domestic. And finally, as observed earlier, the continuing inflationary psychology made investors and financial intermediaries reluctant to commit funds to long-term bonds, preferring instead shorter-term investments, real estate, and common stocks. The impact of these investors' preferences on borrowers in Canada is indicated in reference table 71.

Total assets of the major financial institutions grew by an estimated \$7.4 billion or 12 per cent in 1968, compared with 10 per cent or \$6.8 billion in 1967 (see Chart 26). Almost half of the increase accrued to the chartered banks. The banks were able to achieve this large increase by bidding aggressively for savings and time deposits of individuals, which increased by 15.8 per cent, and for non-personal term deposits by large institutional depositors, which increased by 20.3 per cent over the 1967 levels. At the beginning of 1968, interest of 5 per cent was paid on non-chequable personal notice deposits and $5\frac{3}{4}$ per cent for large blocks of short-term funds. In late March 1969, these deposit rates had increased to $5\frac{1}{2}$ per cent and over 7 per cent respectively.

Large quarterly fluctuations occurred in the growth rate of the chartered banks' deposits, in response to changing market and credit conditions (see reference table 72). Non-personal term and notice deposits decreased slightly during the exchange crisis of the first quarter, when borrowings by business in the capital markets was restrained and an outflow of short-term capital occurred. These forms of bank deposit increased in the second and third quarters, as monetary conditions eased in anticipation of a slowing down in economic activity and businesses rebuilt their liquid positions, which had fallen to relatively low levels. The trend in non-personal term deposits was reversed as monetary conditions tightened again towards year end.

Personal non-chequable savings and term deposits increased dramatically, especially in the first half of the year. In part the increase was due to the successful efforts of the banks in encouraging individuals to transfer their deposits from chequable into non-chequable savings accounts where, since February 1968, the cash reserve requirement has been reduced to 4 per cent, compared to 12 per cent on demand deposits. In addition, proceeds from encashments of Canada Savings Bonds, to some extent, were deposited in these savings accounts.

As a result of this large inflow into savings and term deposits, the banks were able to increase their investments and loans in almost all major asset groups. The largest increases in 1968 occurred in Government of Canada securities (\$946 million), personal loans (\$738 million), business loans (\$649 million) and loans to grain dealers (\$294 million). Quarterly changes in business loans were significant. A large increase occurred during the exchange crisis early in the year, when bond financing by businesses was difficult, and less than usual reliance was placed on loans and investments from parent companies

abroad. With the easing of market conditions in early summer business loans declined, to increase again in the latter part of the year as borrowing conditions in the bond market again became increasingly difficult.

Trust company liabilities grew by 13.2 per cent in 1968, a higher rate than in the two previous years but substantially below the 21.3 per cent average in 1962-65. Most of the increase in term deposits and certificates, their major source of funds, occurred in the third quarter. Their demand and savings deposits declined slightly in the first half, but the flow was reversed during the second half of the year. During the fourth quarter, the net increase of \$54 million in demand and savings deposits was the largest since mid-1965.

Investments in mortgages continued to be the major outlet for trust companies' funds; 65 per cent of their net increase in assets represented increased holdings of mortgages. Significant gains occurred in the second and third quarters, reflecting the large number of mortgage approvals which followed the establishment of the more flexible NHA rate in late 1967. The large increase in their holdings of finance paper, commercial notes and other short-term assets in the third and fourth quarters reflected a general disposition on the part of investors to remain liquid, and possibly to some extent the expectation that yields on mortgages, their major long-term investment, would increase in early 1969. The maximum rate on NHA insured mortgages moved to $9\frac{3}{8}$ per cent from $8\frac{3}{4}$ per cent at the end of the fourth quarter.

Total major assets of mortgage loan companies increased by about \$157 million or 6.4 per cent in 1968, compared with a growth of 8 per cent in 1967. Mortgage loans rose by more than the increase in total assets, as holdings of government bonds and bills were run down. During 1968, these companies did not attract funds to debentures and term deposits on a large scale. Whereas these sources of funds had increased by 11.2 per cent in 1967, their increase in 1968 totalled only 6.1 per cent. The slower growth in this form of liability was only partially offset by a more rapid increase in demand and savings deposits, resulting in the slower rate of asset growth between 1967 and 1968.

The increased preference by Canadians for equities as a hedge against inflation was reflected in the total net sales of \$316 million in mutual fund shares during 1968, more than twice the 1967 level. The largest increases occurred in the second and fourth quarters, responding to sharp gains in North American stock prices. During this period mutual funds increased their holdings of common and preferred stock by \$450 million. Their purchases of foreign assets, mainly U.S. equities, continued unabated throughout the year. During the first and third quarters, the mutual funds placed all their net increase in funds into foreign equities, and in addition sold part of their holdings of Canadian equities for investment in foreign equities. At mid-year, notwithstanding the incentives under present tax legislation to hold domestic equities, the industry's holdings of foreign equities surpassed for the first time their holdings of Canadian equities.

The Canadian investment transactions of 16 life insurance companies, whose assets represent about 80 per cent of total life insurance assets held in Canada, totalled \$623 million in 1968 compared with \$579 million the previous year. Mortgage investments totalled \$332 million, nearly 15 per cent above the

1967 level, the increase being heavily concentrated in the second half of the year. Purchases of corporate and institutional bonds were down substantially from 1967. For the fourth successive year these companies reduced their holdings of municipal bonds, the reduction of \$19 million occurring mainly in the fourth quarter. Net purchases of provincial bonds were relatively high during most of 1968, especially during the first and third quarters. Substantial purchases of Canadian common and preferred stocks were made in the third quarter and, during December, net purchases of \$20 million represented 56 per cent of the total net new investments in that month, bringing the total for the year to about \$100 million or 16 per cent of net new investments. This movement into stocks reflected, in part, a reaction to the new tax proposals affecting insurance companies announced in last October's Budget, and also the introduction by some companies earlier in the year of variable income annuities and similar plans which are largely based on equity investments offering the contractual investor greater protection against inflation.

Assets of trustee pension funds increased by approximately 11.5 per cent during 1968. Preliminary indications are that the pension funds as a group continued to invest a growing proportion of their funds in equities and less in government and corporate bonds. It also appears that the percentage of total assets invested in mortgages in 1968 increased slightly, a reversal of a downward movement which began in 1966.

Total assets of the sales finance and consumer loan companies grew by an estimated \$427 million, or 9.5 per cent, in 1968, compared with 3 per cent in 1967 and 15 per cent per year in the 1962-65 period. Because of the demand by other sectors of the economy for liquid assets, these companies were able to increase their net outstanding demand and short-term notes by \$344 million, with all of the increase occurring in the first half of 1968. On the other hand, the increase in long-term debt outstanding totalled only \$60 million compared with \$111 million in the previous year.

Consumer credit extended by these companies continued to be their major outlet for investment, increasing by \$229 million in 1968, or at the same per cent rate as the increase in total assets. Their share of all consumer lending continued to decline. Total consumer credit increased by 14.4 per cent in 1968, bringing the total outstanding at year-end to approximately \$9,525 million. The major competition for consumer credit came from the chartered banks which accounted for over 65 per cent of the \$1.2 billion increase in 1968. At the end of 1968, the sales finance and consumer loan companies held about 28 per cent of consumer credit outstanding compared with 32 per cent in 1964. The chartered banks held 39 per cent at the end of 1968 compared with 30 per cent in 1964.

Also affecting the investment decisions of financial institutions during 1968 were the guidelines issued by the Minister of Finance on their foreign currency operations. As mentioned earlier, a factor in the run on the Canadian dollar in the first part of 1968 was concern about the impact on Canada of mandatory restraint placed by the U.S. authorities on foreign direct investments abroad by U.S. companies. As noted, on March 7, 1968, in the exchange of letters

between the Minister of Finance and the Secretary of the Treasury, Canada received an exemption from all U.S. balance of payments measures administered by the Department of Commerce and the Federal Reserve Board. In response, Canada undertook to ensure that this exemption would not result in Canada being used as a "pass through" by which the purpose of the U.S. balance of payments measures would be frustrated. In order to implement this undertaking, the Minister of Finance announced two sets of guidelines for financial institutions: the first, on May 3, for chartered banks and the second, on July 24, for non-bank financial institutions. In essence, the guidelines asked financial institutions not to increase their foreign currency assets abroad unless such an increase was accompanied by an equal or greater increase in foreign currency liabilities abroad. The financial institutions, recognizing the importance to Canada of unrestricted access to the U.S. capital markets, have co-operated with the Minister's request. In addition, in September 1968, the Minister of Trade and Commerce announced some voluntary guidelines respecting investment abroad by Canadian non-financial institutions, designed to ensure that these investments outside Canada and the United States will be compatible with Canada's unrestricted access to the U.S. capital market.

THE ECONOMIC OUTLOOK

Foreign developments

Economic activity in those countries which are important outlets for Canadian exports advanced substantially in 1968, despite uncertainties arising from international financial difficulties. In the major industrial countries of the Organisation for Economic Co-operation and Development, other than the United States, expectations are that the increase in activity in 1969 will be similar to that achieved in 1968.

Germany's domestic activity has acquired considerable momentum. It is expected that the increase in real output in 1969 could be about 5 per cent. In Italy, demand appears to have strengthened in the last half of 1968 and it is expected that real output may increase by more than 5 per cent in 1969. Prospects in France are somewhat less clear, but it is expected that the increase in real output will be considerably above that achieved in 1968, when disturbances in May and June seriously affected output.

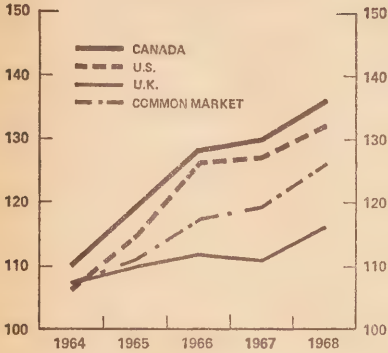
In the United Kingdom, the primary objective of diverting resources toward improvement of the balance of payments, through policies of restraint, should impose some constraint on the ability of the United Kingdom to expand domestic demand at the rate recorded in 1968. In Japan, the growth in real GNP in 1969 may fall short of the 11 per cent rate of 1968, but it will nevertheless be strong. In sum, the OECD countries apart from the United States are expected to increase their real output in 1969 by more than 5 per cent, about the same as that achieved in 1968.

CHART 27

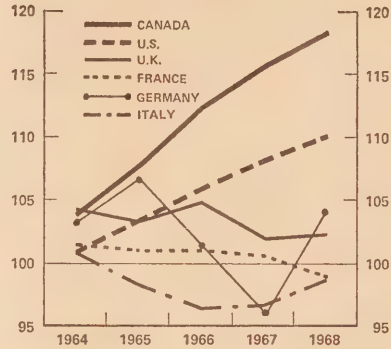
SELECTED INTERNATIONAL INDICATORS

1963 = 100

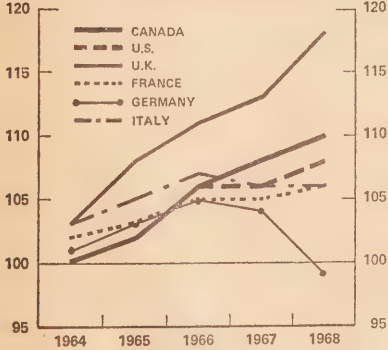
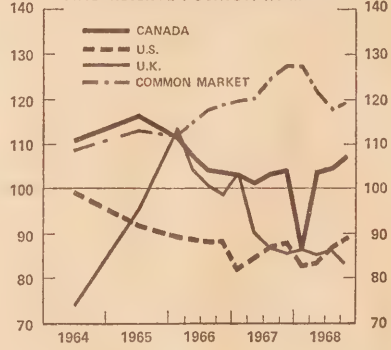
INDUSTRIAL PRODUCTION



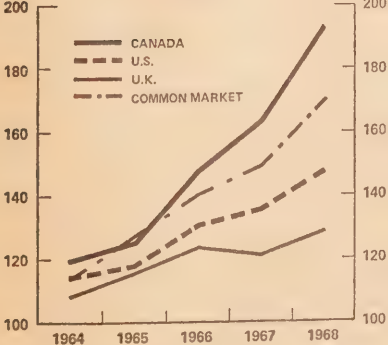
EMPLOYMENT



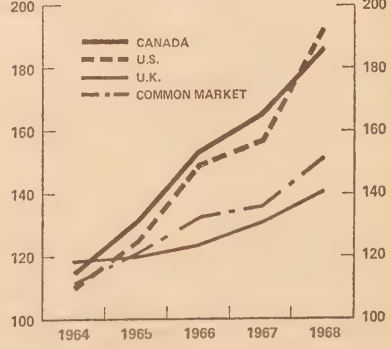
WHOLESALE PRICE INDEX

OFFICIAL GOLD, FOREIGN EXCHANGE
AND RESERVE POSITION IN I.M.F.

EXPORTS



IMPORTS



In the United States, Canada's major export market, the economic outlook during 1969 will depend on the economy's response to restraints imposed by the authorities to contain the inflationary conditions which have been strong over the past year. It seems likely that monetary policy will be restrictive enough to ensure that the increase in total output will be less than that experienced during 1968, when during conditions of overheating real output grew by about 5 per cent and prices rose by about 4 per cent.

Most observers had expected that the fiscal measures of June 1968 would result in a marked slowing-down in economic activity late in 1968 and early in 1969. In the event, the deceleration has been slow in developing, and some indicators of spending intentions in 1969 suggest further substantial strength. In the face of these developments, the U.S. authorities have intensified monetary restraints. The President has requested Congress to extend the temporary tax surcharges due to expire June 30 and to repeal the investment tax credit, and has sought further to reduce budgetary expenditures in the coming fiscal year.

The policy objectives of the U.S. Administration of restraining the excessive expansion of the economy and reducing inflationary pressures require the flexible but determined use of fiscal and monetary instruments. Until the effects of these policies can be clearly assessed, no precise judgment can be made, as to demand developments during the rest of this year. Nevertheless, it is expected that Canadian exports to the United States, while increasing less than in the exceptional year of 1968, will still record a substantial increase this year.

The Canadian outlook

The Canadian economy will therefore operate within the context of sustained demand for its export products in 1969. Some of the special factors of last year, including strikes and the threat of strikes in the United States, cannot be assumed to recur. On the other hand, continued though more moderate growth in that country will be reflected in additional demand for lumber, newsprint, mineral products, automotive products and many other items. Added to the growth which is likely to occur in overseas exports, including shipments of a growing variety of products to Japan, this generally strong picture should result in a rate of overall advance which could be one-half of that recorded last year, depending on developments in the United States as the year progresses.

Private and public investment will show more strength in 1969 than in 1968, as indicated in the Private and Public Investment Survey. The private sector, hesitant since the peak year of 1966, is expected to move forward firmly, with machinery and equipment investment swinging from a slight declining trend back to a sizeable advance. Private construction, for both residential and non-residential purposes, will again advance. Public investment by governments and institutions (including hospitals, schools and universities) is expected to increase at about the same rate as last year. In total, the survey implied an increase in new capital expenditures of nearly 9 per cent.

In 1968, business inventories, which were low in relation to economic activity, began to rise as the economy expanded. It is expected that a further modest build-up will occur this year.

In the personal sector, higher levels of employment and earnings are expected to result in increases in consumer spending much in line with those of the past few years. Despite substantial increases in personal direct taxes, levels of disposable income remain high, and rates of personal saving, which are still high by historical standards, would allow for continued gains in personal expenditures. Direct purchases of goods and services by governments, while being restrained, are nevertheless expected to increase in real terms. As noted on an earlier page, population growth, urbanization and price considerations represent a built-in growth factor in the government sector.

The outlook for the farm sector appears mixed. Farm cash receipts from sale of wheat will probably be lower than last year, but receipts from other grains are expected to be higher. There is a record level of grain inventories on hand, both on the farms and in commercial channels. Livestock markets remain strong, so that income from this source in both east and west should be well maintained. Income from dairy products will probably change little in the year. A possible stronger demand for poultry meat and eggs could provide income from this source at least equal to that of 1968.

In total, demand growth, including domestic and external, could well be at least as strong as in 1968. Some of this increased demand will likely be met by imports, especially in the area of investment goods. As noted above, the growth rate of the U.S. economy is expected to be less than that of last year, and the very large increase in Canadian exports to that country is not expected to be repeated. Accordingly, it might reasonably be supposed that the deficit on international current account will increase somewhat over the exceptionally low figure achieved last year.

Last year, real output grew by nearly 5 per cent, about in line with the underlying capacity of the economy to grow. Productivity growth per man-year, as noted earlier, was substantially above recent experience, and employment growth, while also substantial, did not keep up with the continued rapid increase in the labour force. One cannot count on a repetition of this sharp increase in non-farm productivity, and the employment growth in 1969 should be above that achieved last year. Evidence in the early months of 1969 points in this direction. The increase in the labour force is expected to continue at least at the rate recorded in 1968. On balance, the reduction in the unemployment rate for the year as a whole is not likely to be substantial, although it should be noted that there has been a considerable decline from the summer of 1968 to the early months of this year.

Total labour income, partly reflecting the accelerated growth of employment, may be expected to grow at about the rates achieved in recent years. The sharp advance in corporation profits recorded last year is unlikely to be repeated, although continued increases are expected. Costs, including both wage-costs and non-wage-costs per unit of output, are expected to advance

again, as money incomes continue to rise more rapidly than overall productivity gains. At a time of continued substantial growth in total demand both at home and abroad, cost increases of this nature may more easily be passed on in the form of rising prices, and a continuation of rising prices this year must be anticipated, though hopefully at a gradually diminishing rate.

The outlook for prices is conditioned by a number of offsetting factors. With the persistence of inflationary expectations, the expected growth in demand, and the additional problems posed by more rapid growth in some regions, especially in Ontario, conditions exist in which price increases in some sectors are likely to occur. Additional price pressures may permeate the economy from abroad. In the United States, much will depend upon the success of the fiscal and monetary policies directed toward price restraint. Offsetting these factors to some extent will be a further move to surplus of the government sector as a whole in Canada, on a national accounts basis, and including the Canada and Quebec pension plan net receipts. A small reduction in the rate of price inflation is possible this year. This will be achieved only if the United States succeeds in curbing its rate of increase, if there is responsible action by Canadians whose market actions and collective bargaining have important effects on prices and costs in Canada, and if governments in Canada continue restraining the growth in their expenditures.

Conclusions

The prospects are favourable for a growth in GNP at least equal to that of 1968. While price changes will still be significant, the growth in real output should equal or exceed that of last year. The unemployment rate should average a bit below that of 1968 and employment will move up faster than in that year.

The Canadian economy should have a more balanced expansion in 1969 than last year, as between the various kinds of expenditures. Similar rates of increase expected in public and private investment, and for construction outlays and purchases of equipment, represent a return to more normal conditions after the readjustments of 1967 and 1968. There should be an improved balance as between industrial sectors; notably, expected investment in manufacturing should be in a better relationship with other sectors. Also of importance in terms of balance is the anticipated moderation of the rate of growth in the export sector while investment activity moves ahead. A higher level of housing construction should meet more of the shortage of accommodation. However, important problems remain. As noted, price increases are still higher than desirable. As amongst the various geographic regions, pressure on resources could be strong in Ontario while in the eastern part of Canada unemployment and lower levels of income remain matters of major concern. Problems in the farm sector are aggravated by high levels of grain inventories both at home and abroad.

The increased demand for investment, as represented by rising requirements for housing, business investment and inventories, is expected to be met from increased saving in the business sector, some increase of the current ac-

count deficit and the capital account surplus on international transactions, and a considerable improvement in saving from the government sector, which is not expected to make as large demands on the capital market as last year. The level of personal saving is not expected to change much, as increases in personal spending should roughly match increases in personal income after taxes. Accordingly, the moves that have been taken in the past eight months toward fiscal restraint on the part of all levels of government are expected to play an important role in attaining the objective of sustained and balanced economic growth.

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DEMOGRAPHIC DEVELOPMENTS

1947 to 1968

Years and Quarters	Population as of June 1 ⁽¹⁾	Birth Rate	Death Rate	Natural Rate of Increase	Immigration Rate	Annual Growth Rate of Population	Number of Families	Net Family Formation
	(Thousands of persons)	(Per thousand of population)				(Per cent)	(Thousands)	
1947.....	12,888	28.9	9.4	19.5	5.0	2.1	n.a.	n.a.
1948.....	13,167	27.3	9.3	18.0	9.5	2.2	n.a.	n.a.
1949.....	13,447	27.3	9.3	18.0	7.1	2.1	n.a.	n.a.
1950.....	13,712	27.1	9.1	18.0	5.4	2.0	n.a.	n.a.
1951.....	14,009	27.2	9.0	18.2	13.8	2.2	3,282.4	n.a.
1952.....	14,459	27.9	8.7	19.2	11.3	3.2	3,360.0	77.6
1953.....	14,845	28.1	8.6	19.5	11.4	2.7	3,423.0	63.0
1954.....	15,287	28.5	8.2	20.3	10.1	3.0	3,537.0	114.0
1955.....	15,698	28.2	8.2	20.0	7.0	2.7	3,625.0	88.0
1956.....	16,081	28.0	8.2	19.8	10.3	2.4	3,705.6	80.6
1957.....	16,610	28.2	8.2	20.0	17.0	3.3	3,796.0	90.4
1958.....	17,080	27.5	7.9	19.6	7.3	2.8	3,898.0	102.0
1959.....	17,483	27.4	8.0	19.4	6.1	2.4	3,982.0	84.0
1960.....	17,870	26.8	7.8	19.0	5.8	2.2	4,081.0	99.0
1961.....	18,238	26.1	7.7	18.4	3.9	2.1	4,140.4	59.4
1962.....	18,583	25.3	7.7	17.6	4.0	1.9	4,189.0	48.6
1963.....	18,931	24.6	7.8	16.8	4.9	1.9	4,258.0	69.0
1964.....	19,290	23.5	7.6	15.9	5.9	1.9	4,341.0	83.0
1965.....	19,644	21.3	7.6	13.7	7.5	1.8	4,432.0	91.0
1966.....	20,015	19.4	7.5	11.9	9.7	1.9	4,518.3	86.3
1967.....	20,405	18.2	7.4	10.8	10.9	1.9	4,608.0	89.7
1968.....	20,744	17.7	7.4	10.3	8.9	1.7	n.a.	n.a.
(Expressed at annual rates)								
1966 I.....	19,857	19.3	7.6	11.7	6.2	1.6	n.a.	n.a.
II.....	19,939	20.5	7.6	12.8	11.1	1.6	n.a.	n.a.
III.....	20,050	19.8	7.2	12.6	11.7	2.2	n.a.	n.a.
IV.....	20,158	18.1	7.3	10.7	10.0	2.2	n.a.	n.a.
1967 I.....	20,252	18.2	7.5	10.7	8.7	1.9	n.a.	n.a.
II.....	20,334	19.1	7.3	11.8	12.8	1.6	n.a.	n.a.
III.....	20,441	18.4	7.2	11.2	12.8	2.1	n.a.	n.a.
IV.....	20,548	16.9	7.4	9.5	9.4	2.1	n.a.	n.a.
1968 I.....	20,630	17.1	8.1	8.9	6.9	1.6	n.a.	n.a.
II.....	20,700	18.0	7.1	10.8	9.6	1.4	n.a.	n.a.
III.....	20,772	18.5	7.1	11.4	9.8	1.4	n.a.	n.a.
IV.....	20,857	17.1	7.1	10.0	9.2	1.6	n.a.	n.a.

⁽¹⁾Quarterly figures are the estimates for the months of January, April, July and October.

n. a. = not available

SOURCE: DBS *Vital Statistics*, Annual, Cat. 84-201, Monthly, Cat. 84-001.

DBS *Estimates of Families in Canada*, Annual, Cat. 91-204.

REFERENCE TABLE 2
GROSS NATIONAL EXPENDITURE

1947 to 1968

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation ⁽¹⁾	Value of Physical Change in Inventories ⁽²⁾	Exports of Goods and Services	Imports of Goods and Services	Residual Error of Estimate	Gross National Expenditure at Market Prices
(Millions of dollars)								
1947.....	9,090	1,541	2,085	403	3,640	-3,621	27	13,165
1948.....	10,085	1,797	2,619	113	4,050	-3,633	89	15,120
1949.....	10,923	2,127	3,032	49	4,021	-3,853	44	16,343
1950.....	12,026	2,344	3,348	550	4,183	-4,513	68	18,006
1951.....	13,460	3,271	3,959	914	5,089	-5,613	90	21,170
1952.....	14,781	4,279	4,451	512	5,573	-5,400	-201	23,995
1953.....	15,592	4,432	4,998	583	5,400	-5,843	-142	25,020
1954.....	16,175	4,461	4,779	-130	5,147	-5,574	13	24,871
1955.....	17,389	4,792	5,210	311	5,764	-6,443	109	27,132
1956.....	18,833	5,386	6,774	1,084	6,365	-7,715	-142	30,585
1957.....	20,072	5,722	7,335	231	6,391	-7,813	-29	31,909
1958.....	21,245	6,180	6,975	-322	6,340	-7,423	-101	32,894
1959.....	22,591	6,490	6,894	357	6,683	-8,131	31	34,915
1960.....	23,540	6,769	6,692	410	7,008	-8,172	40	36,287
1961.....	24,466	7,236	6,835	30	7,631	-8,542	15	37,471
1962.....	25,926	7,717	6,960	532	8,269	-9,082	263	40,575
1963.....	27,487	8,075	7,591	535	9,111	-9,618	243	43,424
1964.....	29,666	8,654	9,103	386	10,578	-10,970	-24	47,393
1965.....	32,061	9,614	10,651	948	11,265	-12,400	64	52,203
1966.....	34,848	11,286	12,493	940	13,128	-14,380	-231	58,104
1967.....	37,714	12,377	12,609	225	14,748	-15,415	-149	62,109
1968.....	40,916	13,329	12,753	660	16,735	-17,067	42	67,368
(Seasonally adjusted at annual rates)								
1966 I.....	33,956	10,656	11,968	988	12,552	-13,524	-56	56,540
II.....	34,116	10,964	12,572	1,668	12,736	-13,944	-260	57,852
III.....	35,332	11,632	12,308	588	13,456	-14,712	-176	58,428
IV.....	35,988	11,892	13,124	516	13,768	-15,260	-432	59,596
1967 I.....	36,444	11,860	13,236	152	14,520	-15,168	-112	60,932
II.....	37,388	12,672	13,068	148	14,964	-15,848	-244	62,148
III.....	38,192	12,288	12,168	680	14,512	-15,380	-32	62,428
IV.....	38,832	12,658	11,964	-80	14,996	-15,264	-208	62,928
1968 I.....	39,872	12,840	12,632	468	16,156	-16,628	-172	65,168
II.....	40,164	13,112	12,516	384	16,736	-16,572	-12	66,328
III.....	41,380	13,408	12,736	716	16,636	-17,132	80	67,824
IV.....	42,248	13,956	13,128	1,072	17,412	-17,936	272	70,152

⁽¹⁾Includes private businesses and institutions, and publicly owned business enterprises.

⁽²⁾The book value of inventories is deflated to remove the effect of price changes and the derived "physical" change is then valued at average prices of the current period to obtain the value of physical change. The difference between this value of physical change and the change in book value is called the inventory valuation adjustment.

SOURCE: DBS *The National Accounts, Income and Expenditure*, Occasional, Cat. 13-502, Annual, Cat. 13-201, Quarterly, Cat. 13-001.

REFERENCE TABLE 3
 CHANGES IN THE COMPONENTS OF GROSS NATIONAL EXPENDITURE
 1947 to 1968

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation ⁽¹⁾	Value of Physical Change in Inventories ⁽²⁾⁽³⁾	Exports of Goods and Services	Imports of Goods and Services	Gross National Expenditure at Market Prices
(Per cent change from previous period)							
1947.....	13.2	-14.2	50.2	70	13.4	25.9	11.1
1948.....	10.9	16.6	25.6	-290	11.3	0.3	14.8
1949.....	8.3	18.4	15.8	-64	-0.7	6.1	8.1
1950.....	10.1	10.2	10.4	501	4.0	17.1	10.2
1951.....	11.9	39.5	18.2	364	21.7	24.4	17.6
1952.....	9.8	30.8	12.4	-402	9.5	-3.8	13.3
1953.....	5.5	3.6	12.3	71	-3.1	8.2	4.3
1954.....	3.7	0.7	-4.4	-713	-4.7	-4.6	-0.6
1955.....	7.5	7.4	9.0	441	12.0	15.6	9.1
1956.....	8.3	12.4	30.0	773	10.4	19.7	12.7
1957.....	6.6	6.2	8.3	-853	0.4	1.3	4.3
1958.....	5.8	8.0	-4.9	-553	-0.8	-5.0	3.1
1959.....	6.3	5.0	-1.2	679	5.4	9.5	6.1
1960.....	4.2	4.3	-2.9	53	4.9	0.5	3.9
1961.....	3.9	6.9	-0.9	-380	8.9	4.5	3.3
1962.....	6.0	6.6	4.9	502	8.2	6.3	8.3
1963.....	6.0	4.6	9.1	3	10.3	5.9	7.0
1964.....	7.9	7.2	19.9	-149	16.1	14.1	9.1
1965.....	8.1	11.1	17.0	562	6.5	13.0	10.1
1966.....	8.7	17.4	17.3	-8	16.5	15.8	11.3
1967.....	8.2	9.7	0.9	-715	12.3	7.3	6.9
1968.....	8.5	7.7	1.1	435	13.5	10.7	8.5
(Seasonally adjusted)							
1966 I.....	2.0	6.3	3.3	380	5.1	2.0	4.4
II.....	0.5	2.9	5.0	680	1.5	3.1	2.3
III.....	3.6	6.1	-2.1	-1,080	5.7	5.5	1.0
IV.....	1.9	2.2	6.6	-72	2.3	3.7	2.0
1967 I.....	1.3	-0.3	0.9	-364	5.5	-0.6	2.2
II.....	2.6	6.8	-1.3	-4	3.1	4.5	2.0
III.....	2.2	-3.0	-6.9	532	-3.0	-3.0	0.5
IV.....	1.7	3.3	-1.7	-760	3.3	-0.8	0.8
1968 I.....	2.7	1.2	5.6	548	7.7	8.9	3.6
II.....	0.7	2.1	-0.9	-84	3.6	-0.3	1.8
III.....	3.0	2.3	1.8	332	-0.6	3.4	2.3
IV.....	2.1	4.1	3.1	356	4.7	4.7	3.4

(1), (2) See footnotes (1), (2) reference table 2.

(3) Expressed in terms of absolute changes (millions of dollars) from the previous period.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 4
GROSS NATIONAL EXPENDITURE IN CONSTANT (1957) DOLLARS

1947 to 1968

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation ⁽¹⁾	Exports of Goods and Services	Imports of Goods and Services	Value of Physical Change in Inventories ⁽²⁾	Residual Error of Estimate ⁽³⁾	Gross National Product in Constant (1957) Dollars
(Millions of dollars)								
1947.....	13,309	2,762	3,576	4,912	-4,967	491	356	20,439
1948.....	13,047	2,839	3,956	4,975	-4,458	96	366	20,821
1949.....	13,637	3,175	4,360	4,770	-4,581	54	221	21,626
1950.....	14,542	3,349	4,543	4,743	-5,003	616	324	23,114
1951.....	14,759	4,188	4,736	5,193	-5,568	932	291	24,531
1952.....	15,775	5,250	5,146	5,751	-5,806	537	-139	26,514
1953.....	16,658	5,251	5,628	5,702	-6,263	648	-99	27,525
1954.....	17,044	5,098	5,340	5,476	-5,961	-237	-46	26,714
1955.....	18,304	5,319	5,682	5,894	-6,825	461	183	29,018
1956.....	19,478	5,664	7,014	6,333	-7,921	1,086	-146	31,508
1957.....	20,072	5,722	7,335	6,391	-7,813	231	-29	31,909
1958.....	20,707	6,113	8,825	6,365	-7,313	-314	-99	32,284
1959.....	21,711	6,205	6,562	6,610	-8,058	338	30	33,398
1960.....	22,402	6,268	6,231	6,884	-8,020	397	38	34,200
1961.....	23,105	6,562	6,125	7,379	-8,132	29	13	35,081
1962.....	24,173	6,811	6,254	7,747	-8,306	508	242	37,429
1963.....	25,260	6,848	6,618	8,445	-8,550	510	221	39,352
1964.....	26,846	7,113	7,606	9,610	-9,632	354	-21	41,876
1965.....	28,461	7,524	8,530	10,098	-10,838	938	55	44,768
1966.....	29,902	8,309	9,633	11,382	-12,295	891	-186	47,636
1967.....	31,326	8,696	9,533	12,563	-13,054	174	-117	49,121
1968.....	32,740	8,792	9,361	14,106	-14,127	545	34	51,451
(Seasonally adjusted at annual rates)								
1968 I.....	29,508	7,944	9,392	11,044	-11,684	1,000	-48	47,156
II.....	29,296	8,164	9,732	11,124	-11,988	1,568	-208	47,688
III.....	30,256	8,504	9,436	11,532	-12,560	532	-144	47,556
IV.....	30,548	8,624	9,972	11,828	-12,948	464	-344	48,144
1967 I.....	30,784	8,356	9,980	12,420	-12,892	116	-88	48,676
II.....	31,232	9,012	9,920	12,760	-13,432	100	-192	49,400
III.....	31,496	8,572	9,244	12,328	-13,044	556	-24	49,128
IV.....	31,792	8,844	8,988	12,744	-12,848	-76	-164	49,280
1966 I.....	32,296	8,588	9,448	13,648	-13,848	324	-128	50,328
II.....	32,268	8,780	9,204	14,096	-13,740	328	-8	50,928
III.....	33,032	8,740	9,300	14,020	-14,180	620	60	51,592
IV.....	33,364	9,060	9,492	14,660	-14,740	908	212	52,956

(1), (2) See footnotes (1), (2) reference table 2.

(3) Years 1947 to 1955 include an adjusting entry arising from the rebasing of the 1949 constant dollar series to a 1957 constant dollar series.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 5
 CHANGES IN THE COMPONENTS OF GROSS NATIONAL EXPENDITURE
 IN CONSTANT (1957) DOLLARS
 1947 to 1968

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation ⁽¹⁾	Exports of Goods and Services	Imports of Goods and Services	Value of Physical Change in Inventories ^{(2) (3)}	Gross National Expenditure in Constant (1957) Dollars
(Per cent change from previous period)							
1947.....	3.2	-19.4	35.2	0.6	12.3	n.a.	1.3
1948.....	-1.9	2.8	10.5	1.3	-10.2	-395	1.9
1949.....	4.5	11.8	9.9	-4.1	2.8	-42	3.9
1950.....	6.6	5.5	4.5	-0.6	9.2	562	6.9
1951.....	1.5	25.1	4.2	9.5	11.3	316	6.1
1952.....	6.9	25.4	8.7	10.7	4.3	-395	8.1
1953.....	5.6	0.0	9.4	-0.9	7.9	111	3.8
1954.....	2.3	-2.9	-5.2	-4.0	-4.8	-885	-2.9
1955.....	7.4	4.3	6.4	7.6	14.5	698	8.6
1956.....	6.4	6.5	23.4	7.4	16.1	625	8.6
1957.....	3.0	1.0	4.6	0.9	-1.4	-855	1.3
1958.....	3.2	6.8	-7.0	-0.4	-6.4	-545	1.2
1959.....	4.8	1.5	-3.9	3.8	10.2	652	3.5
1960.....	3.2	1.0	-5.0	4.1	-0.5	59	2.4
1961.....	3.1	4.7	-1.7	7.2	1.4	-368	2.6
1962.....	4.6	3.8	2.1	5.0	2.1	479	6.7
1963.....	4.5	0.5	5.8	9.0	2.9	2	5.1
1964.....	6.3	3.9	14.9	13.8	12.7	-156	6.4
1965.....	6.0	5.8	12.1	5.1	12.5	584	6.9
1966.....	5.1	10.4	12.9	12.7	13.4	-47	6.4
1967.....	4.8	4.7	-1.0	10.4	6.2	-717	3.1
1968.....	4.5	1.1	-1.8	12.3	8.2	371	4.7
(Seasonally adjusted)							
1966 I.....	0.8	3.5	2.2	4.1	1.7	376	2.9
II.....	-0.7	2.8	3.6	0.7	2.6	568	1.1
III.....	3.3	4.2	-3.0	3.7	4.8	-1,036	-0.3
IV.....	1.0	1.4	5.7	2.6	3.1	-68	1.2
1967 I.....	0.8	-3.1	0.1	5.0	-0.4	-348	1.1
II.....	1.5	7.9	-0.6	2.7	4.2	-16	1.5
III.....	0.8	-4.9	-6.8	-3.4	-2.9	456	-0.6
IV.....	0.9	3.2	-2.8	3.4	-1.5	-632	0.3
1968 I.....	1.6	-2.9	5.1	7.1	7.8	400	2.1
II.....	-0.1	2.2	-2.6	3.3	-0.8	4	1.2
III.....	2.4	-0.5	1.0	-0.5	3.2	292	1.3
IV.....	1.0	3.7	2.1	4.6	3.9	288	2.6

^{(1), (2)} See footnotes (1), (2) on reference table 2.

⁽³⁾ See footnote (3) on reference table 3.

Source: DBS *The National Accounts*.

REFERENCE TABLE 6
 STRUCTURAL CHANGES IN DEMAND
 (PER CENT DISTRIBUTION OF GROSS NATIONAL EXPENDITURE BY COMPONENTS)
 1947 to 1968

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation ⁽¹⁾	Exports of Goods and Services	Imports of Goods and Services	Value of Physical Change in Inventories ⁽²⁾	Residual Error of Estimate	Gross National Expenditure at Market Prices
1947.....	69.0	11.7	15.8	27.7	-27.5	3.1	0.2	100.0
1948.....	66.7	11.9	17.3	26.8	-24.0	0.7	0.6	100.0
1949.....	66.8	13.0	18.6	24.6	-23.6	0.3	0.3	100.0
1950.....	66.8	13.0	18.6	23.2	-25.1	3.1	0.4	100.0
1951.....	63.6	15.5	18.7	24.0	-26.5	4.3	0.4	100.0
1952.....	61.6	17.8	18.0	23.2	-22.5	2.1	-0.8	100.0
1953.....	62.3	17.7	20.0	21.6	-23.3	2.3	-0.6	100.0
1954.....	65.0	17.9	19.2	20.7	-22.4	-0.5	0.1	100.0
1955.....	64.1	17.7	19.2	21.2	-23.7	1.1	0.4	100.0
1956.....	61.6	17.6	22.2	20.8	-25.2	3.5	-0.5	100.0
1957.....	62.9	18.0	23.0	20.0	-24.5	0.7	-0.1	100.0
1958.....	64.6	18.8	21.2	19.3	-22.6	-1.0	-0.3	100.0
1959.....	64.7	18.6	19.8	19.1	-23.3	1.0	0.1	100.0
1960.....	64.9	18.7	18.4	19.3	-22.5	1.1	0.1	100.0
1961.....	65.3	19.3	17.7	20.4	-22.8	0.1	0.0	100.0
1962.....	63.9	19.0	17.2	20.4	-22.4	1.3	0.6	100.0
1963.....	63.3	18.6	17.5	21.0	-22.2	1.2	0.6	100.0
1964.....	62.6	18.3	19.2	22.3	-23.1	0.8	-0.1	100.0
1965.....	61.4	18.4	20.4	21.6	-23.7	1.8	0.1	100.0
1966.....	60.0	19.4	21.5	22.6	-24.7	1.6	-0.4	100.0
1967.....	60.7	19.9	20.3	23.7	-24.8	0.4	-0.2	100.0
1968.....	60.7	19.8	18.9	24.8	-25.3	1.0	0.1	100.0
(Seasonally adjusted)								
1966 I.....	60.1	18.8	21.2	22.2	-23.9	1.7	-0.1	100.0
II.....	59.0	18.9	21.7	22.0	-24.1	2.9	-0.4	100.0
III.....	60.5	19.9	21.1	23.0	-25.2	1.0	-0.3	100.0
IV.....	60.4	19.9	22.0	23.1	-25.6	0.9	-0.7	100.0
1967 I.....	59.8	19.5	21.7	23.8	-24.9	0.3	-0.2	100.0
II.....	60.2	20.4	21.0	24.1	-25.5	0.2	-0.4	100.0
III.....	61.2	19.7	19.5	23.2	-24.6	1.1	-0.1	100.0
IV.....	61.7	20.2	19.0	23.8	-24.3	-0.1	-0.3	100.0
1968 I.....	61.2	19.7	19.4	24.8	-25.5	0.7	-0.3	100.0
II.....	60.5	19.8	18.9	25.2	-25.0	0.6	—	100.0
III.....	61.0	19.8	18.8	24.5	-25.3	1.1	0.1	100.0
IV.....	60.2	19.9	18.7	24.8	-25.5	1.5	0.4	100.0

⁽¹⁾, ⁽²⁾ See footnotes (1) and (2) on reference table 2.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 7
STRUCTURAL CHANGES IN DEMAND
(PER CENT DISTRIBUTION OF GROSS NATIONAL EXPENDITURE
IN CONSTANT (1957) DOLLARS BY COMPONENTS)

1947 to 1968

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation ⁽¹⁾	Exports of Goods and Services	Imports of Goods and Services	Value of Physical Change in Inventories ⁽²⁾	Residual Error of Estimate ⁽²⁾	Gross National Expenditure in Constant (1957) Dollars
1947.....	65.1	13.5	17.5	24.0	-24.3	2.4	1.8	100.0
1948.....	62.7	13.6	19.0	23.9	-21.4	0.4	1.8	100.0
1949.....	63.0	14.7	20.1	22.1	-21.2	0.3	1.0	100.0
1950.....	62.9	14.5	19.6	20.5	-21.6	2.7	1.4	100.0
1951.....	60.1	17.1	19.3	21.2	-22.7	3.8	1.2	100.0
1952.....	59.5	19.8	19.4	21.7	-21.9	2.0	-0.5	100.0
1953.....	60.5	19.1	20.5	20.7	-22.8	2.4	-0.4	100.0
1954.....	63.8	19.1	20.0	20.5	-22.3	-0.9	-0.2	100.0
1955.....	63.1	18.3	19.6	20.3	-23.5	1.6	0.6	100.0
1956.....	61.8	18.0	22.3	20.1	-25.1	3.4	-0.5	100.0
1957.....	62.9	17.9	23.0	20.0	-24.5	0.8	-0.1	100.0
1958.....	64.1	18.9	21.2	19.7	-22.6	-1.0	-0.3	100.0
1959.....	65.0	18.6	19.6	19.8	-24.1	1.0	0.1	100.0
1960.....	65.5	18.3	18.2	20.1	-23.4	1.2	0.1	100.0
1961.....	65.9	18.7	17.5	21.0	-23.2	0.1	0.0	100.0
1962.....	64.6	18.2	16.7	20.7	-22.2	1.4	0.6	100.0
1963.....	64.2	17.4	16.8	21.5	-21.7	1.3	0.5	100.0
1964.....	64.1	17.0	18.2	22.9	-23.0	0.8	0.0	100.0
1965.....	63.6	16.8	19.0	22.6	-24.2	2.1	0.1	100.0
1966.....	62.8	17.4	20.2	23.9	-25.8	1.9	-0.4	100.0
1967.....	63.8	17.7	19.4	25.6	-26.6	0.3	-0.2	100.0
1968.....	63.6	17.1	18.2	27.4	-27.5	1.1	0.1	100.0
(Seasonally adjusted)								
1966 I.....	62.6	16.9	19.9	23.4	-24.8	2.1	-0.1	100.0
II.....	61.4	17.1	20.4	23.3	-25.1	3.3	-0.4	100.0
III.....	63.6	17.9	19.8	24.3	-26.4	1.1	-0.3	100.0
IV.....	63.4	17.9	20.7	24.6	-26.9	1.0	-0.7	100.0
1967 I.....	63.3	17.2	20.5	25.5	-26.5	0.2	-0.2	100.0
II.....	63.2	18.3	20.1	25.8	-27.2	0.2	-0.3	100.0
III.....	64.1	17.4	18.8	25.1	-26.6	1.1	0.1	100.0
IV.....	64.5	18.0	18.2	25.9	-26.1	-0.2	-0.3	100.0
1968 I.....	64.2	17.1	18.8	27.1	-27.5	0.6	-0.3	100.0
II.....	63.4	17.4	18.1	27.7	-27.0	0.6	0.0	100.0
III.....	64.0	17.0	18.0	27.2	-27.5	1.2	0.1	100.0
IV.....	63.0	17.1	17.9	27.7	-27.8	1.7	0.4	100.0

(1), (2) See footnotes (1) and (2) on reference table 2.

(3) See footnote (3) on reference table 4.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 8
NATIONAL INCOME AND GROSS NATIONAL PRODUCT
1947 to 1968

Years and Quarters	Wages, Salaries and Supplementary Labour Income ⁽¹⁾	Corporation Profits			Rent, Interest and Miscellaneous Investment Income	Accrued Net Income of Farm Operators from Farm Production ⁽²⁾	Net Income of Non-Farm Unincorporated Business ⁽⁴⁾	Inventory Valuation Adjustment	Net National Income at Factor Cost	Indirect Taxes less Subsidies	Capital Consumption Allowances and Miscellaneous Valuation Adjustments	Residual Error of Estimate	Gross National Product at Market Prices
		Corporation Profits Before Taxes	Dividends Paid to Non-Residents ⁽³⁾	Dividends Paid to Residents and Undistributed Profits									
(Millions of dollars)													
1947.....	6,482	1,814	-248	847	591	1,120	1,173	-571	10,361	1,608	1,223	-27	13,165
1948.....	7,496	1,964	-249	1,006	651	1,378	1,269	-506	12,003	1,765	1,441	-89	15,120
1949.....	8,115	1,879	-317	821	703	1,248	1,389	-112	12,905	1,808	1,673	-43	16,343
1950.....	8,766	2,522	-404	1,110	890	1,322	1,439	-374	14,161	2,000	1,913	-68	18,006
1951.....	10,304	2,825	-370	1,012	1,020	1,933	1,519	-643	16,588	2,469	2,203	-90	21,170
1952.....	11,478	2,698	-334	953	1,175	1,959	1,572	106	18,654	2,717	2,422	202	23,995
1953.....	12,419	2,611	-317	1,046	1,329	1,575	1,688	-11	19,294	2,911	2,673	142	25,020
1954.....	12,799	2,290	-327	855	1,511	1,017	1,656	86	19,032	2,947	2,905	-13	24,871
1955.....	13,617	2,965	-395	1,269	1,684	1,264	1,791	-189	20,737	3,237	3,266	-108	27,132
1956.....	15,314	3,345	-437	1,461	1,767	1,450	1,965	-238	23,166	3,636	3,642	141	30,585
1957.....	16,494	3,056	-475	1,208	1,980	1,026	2,008	-78	24,011	3,861	4,009	28	31,909
1958.....	17,012	3,075	-470	1,252	2,104	1,200	2,125	-35	25,011	3,882	3,899	102	32,894
1959.....	17,955	3,504	-501	1,379	2,315	1,121	2,210	-122	26,482	4,259	4,204	-30	34,915
1960.....	18,754	3,338	-458	1,296	2,470	1,186	2,213	-70	27,433	4,470	4,423	-39	36,287
1961.....	19,546	3,427	-586	1,189	2,670	1,008	2,274	-89	28,250	4,696	4,540	-15	37,471
1962.....	20,819	3,819	-584	1,481	2,832	1,496	2,401	-130	30,653	5,293	4,892	-263	40,575
1963.....	22,145	4,188	-614	1,703	3,078	1,721	2,551	-200	32,869	5,600	5,198	-243	43,424
1964.....	24,016	4,819	-753	1,969	3,262	1,464	2,720	-131	35,397	6,372	5,600	24	47,393
1965.....	26,766	5,199	-780	2,150	3,537	1,645	2,877	-325	38,919	7,238	6,110	-64	52,203
1966.....	30,282	5,145	-804	2,045	3,844	2,204	2,949	-321	43,299	7,950	6,623	232	58,104
1967.....	33,093	5,020	-798	1,970	4,339	1,698	3,194	-291	46,255	8,705	7,000	149	62,109
1968.....	35,921	5,877	-841	2,395	4,758	1,796	3,422	-305	50,628	9,521	7,260	-41	67,368
(Seasonally adjusted at annual rates)													
1966 I.....	29,232	5,380	-728	2,404	3,708	2,184	2,936	-488	42,224	7,860	6,404	52	56,540
II.....	29,876	5,236	-768	2,112	3,844	2,244	2,852	-232	43,052	7,912	6,624	264	57,852
III.....	30,552	4,824	-748	1,796	3,832	2,252	3,000	-340	43,372	8,180	6,696	180	58,428
IV.....	31,468	5,140	-972	1,868	3,992	2,136	3,008	-224	44,548	7,848	6,768	432	59,596
1967 I.....	32,252	4,796	-684	1,948	4,012	1,996	2,948	-292	45,028	8,792	7,000	112	60,932
II.....	32,820	4,900	-804	1,824	4,360	1,856	3,176	-268	46,040	8,688	7,176	244	62,148
III.....	33,464	5,148	-856	2,024	4,444	1,488	3,336	-228	46,796	8,624	6,980	28	62,428
IV.....	33,836	5,236	-848	2,084	4,540	1,452	3,316	-376	47,156	8,716	6,844	212	62,928
1968 I.....	34,472	5,324	-804	2,076	4,580	1,820	3,272	-284	48,380	9,368	7,252	168	65,168
II.....	35,492	5,656	-940	2,188	4,732	1,592	3,400	-176	49,756	9,296	7,260	16	66,328
III.....	36,264	5,960	-904	2,400	4,776	1,828	3,480	-284	51,120	9,512	7,272	-80	67,824
IV.....	37,456	6,568	-716	2,916	4,944	1,944	3,536	-476	53,256	9,908	7,256	-268	70,152

⁽¹⁾Includes military pay and allowances.

⁽²⁾Includes the withholding tax applicable to this item.

⁽³⁾Includes an arbitrary smoothing of crop production and seasonal adjustments for withdrawals of grain from farm stocks and the change in livestock items. Because of the arbitrary elements, too precise an interpretation should not be given the seasonally adjusted figures of accrued net income of farm operators.

⁽⁴⁾Includes net income of independent professional practitioners.

Source: DBS *The National Accounts*.

REFERENCE TABLE 9

CHANGES IN THE COMPONENTS OF NATIONAL INCOME AND GROSS NATIONAL PRODUCT
1947 to 1968

Years and Quarters	Wages, Salaries, and Supple- mentary Labour Income ⁽¹⁾	Corporation Profits			Rent, Interest and Miscel- laneous Invest- ment Income	Accrued Net Income of Farm Oper- ators from Farm Produce ⁽²⁾	Net Income of Non- Farm Unincor- porated Busi- ness ⁽⁴⁾	Net National Income at Factor Cost	Indirect Taxes less Subsidies	Capital Con- sumption Allow- ances and Miscel- laneous Valua- tion Adjust- ments	Gross National Product at Market Prices
		Corpora- tion Profits Before Taxes	Divi- dends Paid to Non- Resi- dents ⁽²⁾	Divi- dends Paid to Resi- dents and Undis- tributed Profits							
(Per cent change from previous period)											
1947.....	11.2	23.1	21.0	40.5	1.7	6.1	9.4	8.5	26.6	22.5	11.1
1948.....	15.6	8.3	0.4	18.8	10.2	23.0	8.2	15.8	9.8	17.8	14.8
1949.....	8.3	- 4.3	27.3	-18.4	8.0	- 9.4	9.5	7.5	2.4	16.1	8.1
1950.....	8.0	34.2	27.4	35.2	26.6	5.9	3.6	9.7	10.6	14.3	10.2
1951.....	17.5	12.0	- 8.4	- 8.8	14.6	46.2	5.6	17.1	23.4	15.2	17.6
1952.....	11.4	- 4.5	- 9.7	- 5.8	15.2	1.3	3.5	12.5	10.0	9.9	13.3
1953.....	8.2	- 3.2	- 5.1	9.8	13.1	-19.6	7.4	3.4	7.1	10.4	4.3
1954.....	3.1	-12.3	3.2	-18.3	13.7	-35.4	- 1.9	- 1.4	1.2	8.7	- 0.6
1955.....	6.4	29.5	20.8	48.4	11.4	24.3	8.2	9.0	9.8	12.4	9.1
1956.....	12.5	12.8	10.6	15.1	4.9	14.7	9.7	11.7	12.3	11.5	12.7
1957.....	7.7	- 8.6	8.7	-17.3	12.1	-29.2	2.2	3.6	6.2	10.1	4.3
1958.....	3.1	0.6	- 1.1	3.6	6.3	17.0	5.8	4.2	0.5	- 2.7	3.1
1959.....	5.5	14.0	6.6	10.1	10.0	- 6.6	4.0	5.9	9.7	7.8	6.1
1960.....	4.5	- 4.7	- 8.6	- 6.0	6.7	5.8	0.1	3.6	5.0	5.2	3.9
1961.....	4.2	2.7	27.9	- 8.3	8.1	-15.0	2.8	3.0	5.1	2.6	3.3
1962.....	6.5	11.4	- 0.3	24.6	6.1	48.4	5.6	8.5	12.7	7.8	8.3
1963.....	6.4	9.7	5.1	15.0	8.7	15.0	6.2	7.2	5.8	6.3	7.0
1964.....	8.4	15.1	22.6	15.6	6.0	-14.9	6.6	7.7	13.8	7.7	9.1
1965.....	11.5	7.9	3.6	9.2	8.4	12.4	5.8	9.9	13.6	9.1	10.1
1966.....	13.1	- 1.0	3.1	- 4.9	8.7	34.0	2.5	11.3	9.8	8.4	11.3
1967.....	9.3	- 2.4	- 0.7	- 3.7	12.9	-23.0	8.3	6.8	9.5	5.7	6.9
1968.....	8.5	17.1	5.4	21.6	9.7	5.8	7.1	9.5	9.4	3.7	8.5
(Seasonally adjusted)											
1966 I.....	4.7	1.5	- 6.2	9.7	- 1.2	25.5	- 0.5	4.5	6.2	2.0	4.4
II.....	2.2	- 2.7	5.5	-12.1	3.7	2.7	- 2.9	2.0	0.7	3.4	2.3
III.....	2.3	- 7.9	- 2.6	-15.0	- 0.3	0.4	5.2	0.7	3.4	1.1	1.0
IV.....	3.0	6.6	29.9	4.0	4.2	- 5.2	0.3	2.7	- 4.1	1.1	2.0
1967 I.....	2.5	- 6.7	-29.6	4.3	0.5	- 6.6	- 2.0	1.1	12.0	3.4	2.2
II.....	1.8	2.2	17.5	- 6.4	8.7	- 7.0	7.7	2.2	- 1.2	2.5	2.0
III.....	2.0	5.1	6.5	11.0	1.9	-19.8	5.0	1.6	- 0.7	- 2.7	0.5
IV.....	1.1	1.7	- 0.9	3.0	2.2	- 2.4	- 0.6	0.8	1.1	- 1.9	0.8
1968 I.....	1.9	1.7	- 5.2	- 0.4	0.9	25.3	- 1.3	2.6	7.5	6.0	3.6
II.....	3.0	6.2	16.9	5.4	3.3	-12.5	3.9	2.8	- 0.8	0.1	1.8
III.....	2.2	5.4	- 3.8	9.7	0.9	14.8	2.4	2.7	2.3	0.2	2.3
IV.....	3.3	10.2	-20.8	21.5	3.5	6.3	1.6	4.2	4.2	- 0.2	3.4

(1), (2), (3), (4) See footnotes (1), (2), (3) and (4) on reference table 8.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 10
STRUCTURAL CHANGES IN INCOME
(PER CENT DISTRIBUTION OF GROSS NATIONAL PRODUCT BY COMPONENTS)
1947 to 1968

Years and Quarters	Wages, Salaries and Supplementary Labour Income ⁽¹⁾	Corporation Profits			Rent, Interest and Miscellaneous Investment Income	Accrued Net Income of Farm Operators from Farm Production ⁽²⁾	Net Income of Non-Farm Unincorporated Business ⁽³⁾	Inventory Valuation Adjustment	Net National Income at Factor Cost	Indirect Taxes less Subsidies	Capital Consumption Allowances and Miscellaneous Valuation Adjustments	Residual Error of Estimate	Gross National Product at Market Prices
		Corporation Profits Before Taxes	Dividends Paid to Non-Residents ⁽⁴⁾	Dividends Paid to Residents and Undistributed Profits									
1947.....	49.2	13.8	-1.9	6.4	4.5	8.5	8.9	-4.3	78.7	12.2	9.3	-0.2	100.0
1948.....	49.6	13.0	-1.6	6.7	4.3	9.1	8.4	-3.4	79.4	11.7	9.5	-0.6	100.0
1949.....	49.7	11.5	-1.9	5.0	4.3	7.6	8.5	-0.7	79.0	11.1	10.2	-0.3	100.0
1950.....	48.7	14.0	-2.2	6.2	4.9	7.4	8.0	-2.1	78.7	11.1	10.6	-0.4	100.0
1951.....	48.7	13.3	-1.8	4.8	4.8	9.1	7.2	-3.0	78.3	11.7	10.4	-0.4	100.0
1952.....	47.8	11.2	-1.4	4.0	4.9	8.2	6.6	0.4	77.7	11.3	10.1	0.9	100.0
1953.....	49.6	10.4	-1.3	4.2	5.3	6.3	6.8	0.0	77.1	11.6	10.7	0.6	100.0
1954.....	51.5	9.2	-1.3	3.4	6.0	4.1	6.7	0.3	76.5	11.9	11.7	-0.1	100.0
1955.....	50.2	10.9	-1.5	4.7	6.2	4.7	6.6	-0.7	76.4	11.9	12.1	-0.4	100.0
1956.....	50.1	10.9	-1.4	4.8	5.8	4.7	6.4	-0.8	75.7	11.9	11.9	0.5	100.0
1957.....	51.6	9.6	-1.5	3.8	6.2	3.2	6.3	-0.2	75.2	12.1	12.6	0.1	100.0
1958.....	51.7	9.3	-1.4	3.8	6.4	3.6	6.5	-0.1	76.0	11.8	11.9	0.3	100.0
1959.....	51.4	10.0	-1.4	3.9	6.6	3.2	6.3	-0.3	75.8	12.2	12.1	-0.1	100.0
1960.....	51.7	9.2	-1.3	3.6	6.8	3.3	6.1	-0.2	75.6	12.3	12.2	-0.1	100.0
1961.....	52.2	9.1	-1.6	3.2	7.1	2.7	6.1	-0.2	75.4	12.5	12.1	0.0	100.0
1962.....	51.3	9.4	-1.4	3.7	7.0	3.7	5.9	-0.3	75.6	13.0	12.0	-0.6	100.0
1963.....	51.0	9.6	-1.4	3.9	7.1	4.0	5.9	-0.5	75.7	12.9	12.0	-0.6	100.0
1964.....	50.7	10.2	-1.6	4.2	6.9	3.1	5.7	-0.3	74.7	13.4	11.8	0.1	100.0
1965.....	51.3	10.0	-1.5	4.1	6.8	3.1	5.5	-0.6	74.6	13.8	11.7	-0.1	100.0
1966.....	52.1	8.9	-1.4	3.5	6.6	3.8	5.1	-0.6	74.5	13.7	11.4	0.4	100.0
1967.....	53.3	8.1	-1.3	3.2	7.0	2.7	5.2	-0.5	74.5	14.0	11.3	0.2	100.0
1968.....	53.3	8.7	-1.2	3.6	7.1	2.7	5.1	-0.5	75.2	14.1	10.8	-0.1	100.0
(Seasonally adjusted)													
1966 I.....	51.7	9.5	-1.3	4.3	6.6	3.9	5.2	-0.9	74.7	13.9	11.3	0.1	100.0
II.....	51.6	9.1	-1.3	3.7	6.6	3.9	4.9	-0.4	74.4	13.7	11.4	0.5	100.0
III.....	52.3	8.3	-1.3	3.1	6.6	3.8	5.1	-0.6	74.2	14.0	11.5	0.3	100.0
IV.....	52.8	8.6	-1.6	3.1	6.7	3.6	5.0	-0.4	74.7	13.2	11.4	0.7	100.0
1967 I.....	52.9	7.9	-1.1	3.2	6.6	3.3	4.8	-0.5	73.9	14.4	11.5	0.2	100.0
II.....	52.8	7.9	-1.3	2.9	7.0	3.0	5.1	-0.4	74.1	14.0	11.5	0.4	100.0
III.....	53.6	8.3	-1.4	3.2	7.1	2.4	5.4	-0.4	75.0	13.8	11.2	0.0	100.0
IV.....	53.8	8.3	-1.4	3.3	7.2	2.3	5.3	-0.6	74.9	13.9	10.9	0.3	100.0
1968 I.....	52.9	8.2	-1.2	3.2	7.0	2.8	5.0	-0.5	74.2	14.4	11.1	0.3	100.0
II.....	53.5	8.5	-1.4	3.3	7.1	2.4	5.1	-0.2	75.0	14.0	11.0	0.0	100.0
III.....	53.5	8.8	-1.3	3.5	7.0	2.7	5.1	-0.4	75.4	14.0	10.7	-0.1	100.0
IV.....	53.4	9.4	-1.0	4.2	7.0	2.8	5.0	-0.7	75.9	14.1	10.4	-0.4	100.0

a), a), a), a) See footnotes (1), (2), (3) and (4) on reference table 8.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 11
 PERSONAL INCOME AND EXPENDITURE
 1947 to 1968

Years and Quarters	Total Wages and Salaries ⁽¹⁾	Supplementary Labour Income	Employer and Employee Contributions to Social Insurance and Government Pension Funds	Net Income of Farm Operators from Farm Production ⁽²⁾	Net Income of Non-Farm Unincorporated Business ⁽³⁾	Interest, Dividends and Net Rental Income of Persons ⁽⁴⁾	Transfer Payments (Excluding Interest)
(Millions of dollars)							
1947.....	6,269	213	-181	1,086	1,173	959	856
1948.....	7,243	253	-224	1,478	1,269	998	884
1949.....	7,823	292	-239	1,359	1,389	1,043	971
1950.....	8,442	324	-256	1,156	1,439	1,268	1,055
1951.....	9,925	379	-336	1,945	1,519	1,333	1,059
1952.....	11,057	431	-375	1,916	1,572	1,418	1,386
1953.....	11,966	468	-410	1,599	1,688	1,551	1,489
1954.....	12,325	494	-422	1,009	1,656	1,719	1,660
1955.....	13,079	538	-476	1,200	1,791	1,840	1,766
1956.....	14,697	617	-532	1,430	1,965	1,908	1,800
1957.....	15,811	683	-590	1,026	2,008	2,141	2,112
1958.....	16,285	727	-615	1,201	2,125	2,277	2,675
1959.....	17,512	743	-652	1,126	2,210	2,599	2,798
1960.....	17,960	794	-751	1,177	2,213	2,882	3,160
1961.....	18,726	820	-787	978	2,274	3,030	3,481
1962.....	19,976	843	-812	1,490	2,401	3,305	3,769
1963.....	21,272	873	-852	1,582	2,551	3,616	3,892
1964.....	23,090	926	-912	1,353	2,720	3,799	4,177
1965.....	25,649	1,117	-1,027	1,689	2,877	4,139	4,618
1966.....	28,746	1,536	-1,843	2,048	2,949	4,536	5,091
1967.....	31,441	1,648	-2,031	1,785	3,194	4,894	6,267
1968.....	34,103	1,818	-2,298	2,022	3,422	5,315	7,242
(Seasonally adjusted at annual rates)							
1966 I.....	27,829	1,401	-1,548	2,044	2,936	4,420	4,804
II.....	28,330	1,546	-1,872	2,080	2,852	4,484	4,972
III.....	28,972	1,580	-1,964	2,056	3,000	4,568	5,200
IV.....	29,853	1,616	-1,988	2,012	3,008	4,672	5,388
1967 I.....	30,669	1,582	-1,972	2,136	2,948	4,748	5,928
II.....	31,183	1,638	-2,028	1,732	3,176	4,848	6,280
III.....	31,784	1,680	-2,132	1,620	3,336	4,924	6,244
IV.....	32,128	1,693	-1,992	1,652	3,316	5,056	6,616
1968 I.....	32,756	1,717	-2,204	2,048	3,272	5,140	6,684
II.....	33,719	1,772	-2,208	1,808	3,400	5,312	7,220
III.....	34,402	1,862	-2,272	2,060	3,480	5,384	7,452
IV.....	35,533	1,922	-2,508	2,172	3,536	5,424	7,612

REFERENCE TABLE 11 (Continued)
PERSONAL INCOME AND EXPENDITURE
1947 to 1968

Years and Quarters	Personal Direct Taxes	Personal Disposable Income ⁽⁵⁾	Personal Expenditure on Consumer Goods and Services	Personal Net Saving	Ratio of Personal Net Saving to Personal Disposable Income ⁽⁶⁾	Personal Disposable Income Per Capita ⁽⁷⁾	Personal Expenditure on Consumer Goods and Services Per Capita ⁽⁷⁾
(Millions of dollars)							
1947.....	-791	9,584	9,090	494	5.2	764	724
1948.....	-822	11,079	10,085	994	9.0	864	786
1949.....	-789	11,849	10,923	926	7.8	881	812
1950.....	-740	12,688	12,026	662	5.2	925	877
1951.....	-1,030	14,794	13,460	1,334	9.0	1,056	961
1952.....	-1,323	16,072	14,781	1,291	8.0	1,112	1,022
1953.....	-1,432	16,904	15,592	1,312	7.8	1,139	1,050
1954.....	-1,437	16,984	16,175	809	4.8	1,111	1,058
1955.....	-1,499	18,239	17,389	850	4.7	1,162	1,108
1956.....	-1,732	20,153	18,833	1,320	6.5	1,253	1,171
1957.....	-1,917	21,274	20,072	1,202	5.7	1,281	1,208
1958.....	-1,795	22,880	21,245	1,635	7.1	1,340	1,244
1959.....	-2,088	23,948	22,591	1,357	5.7	1,370	1,292
1960.....	-2,360	25,075	23,540	1,535	6.1	1,403	1,317
1961.....	-2,511	26,011	24,466	1,545	5.9	1,426	1,341
1962.....	-2,729	28,243	25,926	2,317	8.2	1,520	1,395
1963.....	-2,916	30,018	27,487	2,531	8.4	1,586	1,452
1964.....	-3,428	31,725	29,666	2,059	6.5	1,645	1,538
1965.....	-3,913	35,149	32,061	3,088	8.8	1,789	1,632
1966.....	-4,484	38,579	34,848	3,731	9.7	1,928	1,741
1967.....	-5,493	41,709	37,714	3,995	9.6	2,044	1,848
1968.....	-6,660	44,964	40,916	4,048	9.0	2,168	1,972
(Seasonally adjusted at annual rates)							
1966 I.....	-4,256	37,632	33,956	3,676	9.8	1,887	1,703
II.....	-4,208	38,184	34,116	4,068	10.7	1,904	1,702
III.....	-4,604	38,808	35,332	3,476	9.0	1,925	1,753
IV.....	-4,868	39,692	35,988	3,704	9.3	1,960	1,777
1967 I.....	-5,532	40,508	36,444	4,064	10.0	1,992	1,792
II.....	-4,980	41,848	37,388	4,460	10.7	2,047	1,829
III.....	-5,540	41,916	38,192	3,724	8.9	2,040	1,859
IV.....	-5,920	42,564	38,832	3,732	8.8	2,063	1,882
1968 I.....	-6,412	43,000	39,872	3,128	7.3	2,077	1,926
II.....	-6,236	44,788	40,164	4,624	10.3	2,156	1,934
III.....	-6,716	45,652	41,380	4,272	9.4	2,189	1,984
IV.....	-7,276	46,416	42,248	4,168	9.0	2,217	2,018

NOTE: The sum of "total wages and salaries" and "supplementary labour income" above may not agree with its counterpart in reference table 8 due to different estimating procedures. Columns do not cross-add for this reason.

⁽¹⁾Includes military pay and allowances.

⁽²⁾This item differs from "accrued net income of farm operators from farm production" (see reference table 8) by excluding the adjustment which has been made to take account of the accrued net earnings arising out of the operations of the Canadian Wheat Board.

⁽³⁾Includes net income of independent professional practitioners.

⁽⁴⁾Includes all government debt interest paid to persons.

⁽⁵⁾Personal income less total personal direct taxes.

⁽⁶⁾Expressed as a percentage.

⁽⁷⁾Expressed in dollars.

SOURCE: DBS *The National Accounts*.

DBS *Estimates of Labour Income*, Monthly, Cat. 72-005.

REFERENCE TABLE 12
 PERSONAL EXPENDITURE ON CONSUMER GOODS AND SERVICES
 1947 to 1968

Years	Food	To- bacco and Alco- holic Bever- ages	Cloth- ing and Per- sonal Fur- nishings	Shelter	House- hold Opera- tion	Trans- porta- tion	Per- sonal and Medical Care and Death Ex- penses	Miscel- laneous ⁽¹⁾	Total	of which:			
										Durables	Non- Durables	Serv- ices ⁽²⁾	
(Millions of dollars)													
1947	2,442	776	1,295	963	1,215	824	545	1,030	9,090	841	5,490	2,759	
1948	2,823	831	1,440	1,066	1,337	898	615	1,075	10,085	934	6,179	2,972	
1949	2,887	883	1,497	1,200	1,416	1,109	691	1,240	10,923	1,146	6,409	3,368	
1950	3,140	928	1,528	1,385	1,544	1,355	745	1,401	12,026	1,451	6,853	3,722	
1951	3,619	975	1,660	1,586	1,669	1,381	839	1,731	13,460	1,490	7,773	4,197	
1952	3,804	1,081	1,803	1,778	1,875	1,599	936	1,905	14,781	1,780	8,234	4,767	
1953	3,884	1,101	1,844	1,972	1,999	1,775	1,012	2,005	15,592	2,001	8,407	5,184	
1954	4,030	1,114	1,826	2,192	2,104	1,800	1,091	2,018	16,175	1,970	8,608	5,597	
1955	4,236	1,181	1,900	2,454	2,272	2,023	1,166	2,157	17,389	2,245	9,065	6,079	
1956	4,571	1,278	2,037	2,621	2,509	2,211	1,316	2,290	18,833	2,431	9,736	6,666	
1957	4,951	1,370	2,098	2,906	2,593	2,346	1,437	2,371	20,072	2,430	10,402	7,240	
1958	5,236	1,441	2,179	3,154	2,701	2,511	1,611	2,412	21,245	2,499	10,878	7,868	
1959	5,465	1,552	2,267	3,442	2,873	2,723	1,769	2,500	22,591	2,678	11,373	8,540	
1960	5,713	1,606	2,355	3,621	2,919	2,807	1,925	2,594	23,540	2,664	11,813	9,063	
1961	5,829	1,683	2,432	3,812	3,032	2,872	2,045	2,761	24,466	2,716	12,178	9,572	
1962	6,123	1,782	2,526	3,996	3,202	3,160	2,204	2,933	25,926	2,960	12,965	10,001	
1963	6,414	1,840	2,643	4,323	3,352	3,430	2,396	3,089	27,487	3,246	13,518	10,723	
1964	6,724	1,911	2,803	4,595	3,576	3,730	2,613	3,714	29,666	3,592	14,389	11,685	
1965	7,114	2,079	2,972	4,907	3,836	4,120	2,841	4,192	32,061	4,001	15,438	12,622	
1966	7,620	2,225	3,141	5,323	4,170	4,262	3,078	5,029	34,848	4,169	16,930	13,749	
1967	8,073	2,431	3,365	5,790	4,522	4,549	3,381	5,603	37,714	4,365	18,488	14,861	
1968	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	40,916	4,805	19,695	16,416	

⁽¹⁾Includes motion picture theatres (excluding amusement taxes), newspapers and magazines, net expenditure abroad, and other.

⁽²⁾Includes net expenditure abroad.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 13
 VALUE OF RETAIL TRADE, CANADA AND BY REGION
 1947 to 1969

Years and Months	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia
(Millions of dollars)						
1947	6,963.4 ^(a)	563.6 ^(a)	1,621.1	2,721.1	1,320.8	736.9
1948	7,835.0 ^(a)	607.3 ^(a)	1,792.0	3,067.2	1,550.7	817.8
1949	8,532.0	734.2	1,872.0	3,293.6	1,758.1	874.1
1950	9,617.2	822.2	2,183.0	3,715.4	1,914.4	982.1
1951	10,693.1	898.5	2,442.6	4,129.8	2,122.3	1,099.8
1952	11,587.2	970.7	2,657.8	4,409.2	2,339.9	1,189.6
1953	12,189.4	1,004.4	2,793.1	4,665.6	2,485.3	1,241.0
1954	12,317.2	1,023.6	2,867.7	4,761.7	2,390.6	1,273.6
1955	13,472.8	1,124.7	3,109.3	5,295.7	2,496.1	1,447.0
1956	14,773.7	1,208.6	3,463.0	5,734.3	2,727.8	1,640.0
1957	15,423.3	1,233.0	3,709.6	5,943.1	2,854.5	1,683.2
1958	16,139.1	1,286.7	3,854.4	6,271.1	3,021.3	1,705.5
1959	17,087.1	1,356.5	4,114.2	6,614.9	3,208.1	1,793.4
1960	17,390.5	1,421.0	4,213.1	6,750.7	3,250.3	1,755.3
1961	17,752.3	1,455.6	4,490.1	6,808.0	3,238.1	1,760.5
1961 ⁽²⁾	16,073.0	1,380.5	4,108.0	6,206.7	2,773.6	1,604.2
1962	17,093.8	1,424.8	4,482.8	6,504.4	2,945.2	1,736.7
1963	18,115.7	1,502.2	4,764.0	6,903.1	3,096.1	1,850.3
1964	19,350.9	1,602.0	5,108.2	7,299.4	3,301.8	2,039.6
1965	20,954.0	1,743.0	5,515.3	7,950.7	3,503.4	2,241.7
1966 ^p	22,415.9	1,840.2	5,857.1	8,496.9	3,800.5	2,421.1
1967 ^p	23,785.2	1,938.9	6,270.7	8,941.3	4,053.5	2,580.8
1968 ^p	25,411.9	2,103.4	6,459.9	9,806.6	4,245.5	2,796.5
(Seasonally adjusted)						
1968 J.	2,094.8	171.0	534.4	797.3	354.8	223.8
F.	1,946.4	170.2	517.6	761.6	348.8	220.7
M.	2,037.1	165.5	524.4	772.3	355.7	224.9
A.	2,047.9	165.7	531.3	776.3	328.0	215.5
M.	2,060.5	171.5	541.3	779.2	346.3	229.5
J.	2,101.2	174.2	532.5	804.1	352.4	231.9
J.	2,173.9	180.0	541.1	839.9	359.3	235.5
A.	2,128.4	179.8	540.5	835.3	360.0	243.3
S.	2,172.3	180.6	530.9	849.7	349.7	239.1
O.	2,156.5	178.4	540.7	850.8	355.6	242.9
N.	2,205.2	182.7	548.0	861.7	371.1	244.0
D.	2,206.5	178.7	558.5	862.5	357.2	238.0
1969 J.	2,213.3	181.9	549.1	879.4	356.6	239.0
F.	2,260.2	185.5	569.9	885.9	378.2	246.8

NOTE: Figures may not cross-add due to rounding.

^(a)Excludes Newfoundland.

⁽²⁾Break in series is due to changes in the Standard Industrial Classification.

p=preliminary.

SOURCE: DBS *Retail Trade*, Monthly, Cat. 63-005.

REFERENCE TABLE 14
PRIVATE AND PUBLIC INVESTMENT IN CANADA
1947 to 1969
(Millions of dollars)

Years	Capital Expenditures			Repair Expend- itures	Total	Capital Expenditures			Repair Expend- itures	Total
	Con- struction	Machinery and Equip- ment	Sub- Total			Con- struction	Machinery and Equip- ment	Sub- Total		
	Primary and Construction Industries					Manufacturing				
1947.....	87	317	404	195	599	185	343	528	273	801
1948.....	127	382	509	218	727	181	392	573	329	902
1949.....	159	461	620	263	883	157	379	536	339	875
1950.....	173	528	701	292	993	135	367	502	347	849
1951.....	212	601	813	311	1,124	268	525	793	422	1,215
1952.....	248	631	879	360	1,239	344	629	973	459	1,432
1953.....	287	648	935	375	1,310	325	644	969	480	1,449
1954.....	309	512	821	368	1,189	288	534	822	489	1,311
1955.....	387	612	999	411	1,410	345	602	947	513	1,460
1956.....	534	772	1,306	475	1,781	488	906	1,394	578	1,972
1957.....	544	702	1,246	461	1,707	520	959	1,479	613	2,092
1958.....	378	619	997	468	1,465	398	697	1,095	572	1,667
1959.....	396	678	1,074	517	1,591	374	770	1,144	662	1,806
1960.....	451	683	1,134	522	1,656	335	843	1,178	671	1,849
1961.....	572	639	1,211	512	1,723	279	806	1,085	682	1,767
1962.....	568	738	1,306	536	1,842	353	916	1,269	750	2,019
1963.....	599	879	1,478	586	2,064	355	1,003	1,358	801	2,159
1964.....	702	1,051	1,753	660	2,413	443	1,388	1,831	896	2,727
1965.....	869	1,151	2,020	724	2,744	604	1,736	2,340	974	3,314
1966.....	1,066	1,348	2,414	796	3,210	788	2,126	2,914	1,096	4,010
1967.....	1,069	1,427	2,496	854	3,350	677	1,857	2,534	1,156	3,690
1968.....	1,053	1,344	2,397	887	3,284	584	1,634	2,218	1,159	3,377
1969.....	1,067	1,338	2,405	923	3,328	619	1,921	2,540	1,202	3,742
	Utilities					Trade, Finance and Commercial Services				
1947.....	174	236	410	373	783	112	90	202	96	298
1948.....	282	284	566	438	1,004	159	122	281	101	382
1949.....	376	313	689	465	1,154	142	151	293	120	413
1950.....	437	322	759	483	1,242	207	192	399	128	527
1951.....	497	442	939	545	1,484	201	210	411	160	571
1952.....	701	493	1,194	598	1,792	160	183	343	125	468
1953.....	692	562	1,254	635	1,889	283	243	526	135	661
1954.....	610	554	1,164	606	1,770	319	263	582	133	715
1955.....	649	487	1,136	600	1,736	296	265	561	130	691
1956.....	1,086	676	1,762	640	2,402	327	284	611	138	749
1957.....	1,475	833	2,308	677	2,985	383	307	690	146	836
1958.....	1,405	748	2,153	650	2,803	396	309	705	146	851
1959.....	1,118	724	1,842	703	2,545	462	371	833	168	1,001
1960.....	1,074	698	1,772	713	2,485	466	409	875	168	1,043
1961.....	1,088	610	1,698	723	2,421	451	396	847	162	1,009
1962.....	982	619	1,601	734	2,335	438	422	860	164	1,024
1963.....	1,111	660	1,771	774	2,545	468	450	918	183	1,101
1964.....	1,332	727	2,059	822	2,881	548	494	1,042	195	1,237
1965.....	1,443	980	2,423	867	3,290	705	564	1,269	220	1,489
1966.....	1,666	1,260	2,926	945	3,871	860	667	1,527	248	1,775
1967.....	1,748	1,397	3,145	1,019	4,164	764	770	1,534	272	1,806
1968.....	1,856	1,412	3,268	983	4,251	707	742	1,449	262	1,711
1969.....	1,977	1,489	3,466	1,048	4,514	850	833	1,683	276	1,959

REFERENCE TABLE 14 (Continued)
 PRIVATE AND PUBLIC INVESTMENT IN CANADA
 1947 to 1969
 (Millions of dollars)

Years	Capital Expenditures			Repair Expenditures	Total	Capital Expenditures			Repair Expenditures	Total
	Con-struction	Machinery and Equip-ment	Sub-Total			Con-struction	Machinery and Equip-ment	Sub-Total		
	Institutions					Housing				
1947.....	78	13	91	23	114	526	—	526	155	681
1948.....	126	22	148	37	185	635	—	635	189	824
1949.....	172	23	195	35	230	822	—	822	206	1,028
1950.....	187	26	213	34	247	923	—	923	226	1,149
1951.....	212	30	242	40	282	947	—	947	270	1,217
1952.....	252	33	285	40	325	971	—	971	287	1,258
1953.....	270	33	303	42	345	1,189	—	1,189	304	1,493
1954.....	297	41	338	42	380	1,238	—	1,238	316	1,554
1955.....	367	41	408	49	457	1,397	—	1,397	338	1,735
1956.....	359	43	402	52	454	1,547	—	1,547	355	1,902
1957.....	407	47	454	56	510	1,430	—	1,430	383	1,813
1958.....	457	57	514	57	571	1,782	—	1,782	407	2,189
1959.....	479	57	536	59	595	1,752	—	1,752	431	2,183
1960.....	500	73	573	71	644	1,456	—	1,456	457	1,913
1961.....	536	81	617	78	695	1,467	—	1,467	484	1,951
1962.....	729	105	834	76	910	1,587	—	1,587	513	2,100
1963.....	757	116	873	75	948	1,713	—	1,713	544	2,257
1964.....	648	123	771	79	850	2,028	—	2,028	577	2,605
1965.....	867	145	1,012	82	1,094	2,133	—	2,133	618	2,751
1966.....	1,020	184	1,204	93	1,297	2,181	—	2,181	661	2,842
1967.....	1,107	208	1,315	113	1,428	2,352	—	2,352	713	3,065
1968.....	1,201	214	1,415	121	1,536	2,844	—	2,844	729	3,573
1969.....	1,287	233	1,520	132	1,652	3,200	—	3,200	772	3,972
	Government Departments					Grand Total				
1947.....	235	44	279	145	424	1,397	1,043	2,440	1,260	3,700
1948.....	314	61	375	158	533	1,824	1,263	3,087	1,470	4,557
1949.....	338	46	384	146	530	2,166	1,373	3,539	1,574	5,113
1950.....	391	48	439	185	624	2,453	1,483	3,936	1,695	5,631
1951.....	534	60	594	220	814	2,871	1,868	4,739	1,968	6,707
1952.....	758	88	846	216	1,062	3,434	2,057	5,491	2,085	7,576
1953.....	710	90	800	235	1,035	3,756	2,220	5,976	2,206	8,182
1954.....	676	80	756	268	1,024	3,737	1,984	5,721	2,222	7,943
1955.....	728	68	796	268	1,064	4,169	2,075	6,244	2,309	8,553
1956.....	932	80	1,012	282	1,294	5,273	2,761	8,034	2,520	10,554
1957.....	1,025	85	1,110	288	1,398	5,784	2,933	8,717	2,624	11,341
1958.....	1,014	104	1,118	314	1,432	5,830	2,534	8,364	2,614	10,978
1959.....	1,128	108	1,236	341	1,577	5,709	2,708	8,417	2,881	11,298
1960.....	1,171	103	1,274	383	1,657	5,453	2,809	8,262	2,985	11,247
1961.....	1,125	122	1,247	380	1,627	5,518	2,654	8,172	3,021	11,193
1962.....	1,130	128	1,258	388	1,646	5,787	2,928	8,715	3,161	11,876
1963.....	1,154	128	1,282	393	1,675	6,157	3,236	9,393	3,356	12,749
1964.....	1,303	157	1,460	402	1,862	7,004	3,940	10,944	3,631	14,575
1965.....	1,494	174	1,668	442	2,110	8,115	4,750	12,865	3,927	16,792
1966.....	1,702	222	1,924	526	2,450	9,283	5,507	14,790	4,365	19,155
1967.....	1,731	215	1,946	573	2,519	9,448	5,874	15,322	4,700	20,022
1968.....	1,891	196	2,087	526	2,613	10,136	5,542	15,678	4,667	20,345
1969.....	2,034	198	2,232	550	2,782	11,034	6,012	17,046	4,903	21,949

NOTE: 1968 figures are preliminary actual and 1969 figures are intentions.

SOURCE: DBS and Department of Trade and Commerce *Private and Public Investment in Canada*, Occasional, Cat. 61-504, Annual, Cat. 61-205.

REFERENCE TABLE 15
PRIVATE AND PUBLIC INVESTMENT BY REGION
1952 to 1969

Years	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Atlantic Region	Quebec
(Millions of dollars)						
1952.....	86	17	133	104	340	1,283
1953.....	80	18	157	108	363	1,374
1954.....	73	19	156	119	367	1,362
1955.....	89	21	164	168	442	1,546
1956.....	94	24	183	186	487	1,851
1957.....	100	22	188	159	469	2,029
1958.....	107	30	185	182	504	2,054
1959.....	115	37	226	203	581	2,094
1960.....	146	37	234	180	597	2,007
1961.....	184	38	224	171	617	2,008
1962.....	261	43	223	179	706	2,154
1963.....	236	43	234	189	702	2,301
1964.....	231	39	270	257	797	2,828
1965.....	228	57	318	334	937	3,206
1966.....	341	57	412	391	1,201	3,446
1967.....	359	45	463	377	1,244	3,214
1968.....	414	44	498	353	1,289	3,301
1969.....	437	38	556	403	1,434	3,408
	Ontario	Manitoba	Saskatchewan	Alberta	Prairie Region	British Columbia ⁽¹⁾
(Millions of dollars)						
1952.....	1,899	242	313	602	1,157	604
1953.....	2,106	286	357	730	1,373	626
1954.....	2,089	270	377	627	1,274	533
1955.....	2,271	301	349	735	1,385	707
1956.....	2,842	364	485	901	1,750	1,089
1957.....	3,266	371	455	834	1,660	1,293
1958.....	3,104	409	477	890	1,776	925
1959.....	2,900	484	467	947	1,898	944
1960.....	2,856	487	474	946	1,907	895
1961.....	2,794	417	454	981	1,852	901
1962.....	3,054	424	513	937	1,874	927
1963.....	3,282	491	603	995	2,089	1,019
1964.....	3,747	528	648	1,100	2,276	1,296
1965.....	4,379	537	773	1,320	2,630	1,713
1966.....	5,261	656	928	1,564	3,148	2,034
1967.....	5,357	719	964	1,675	3,358	2,149
1968.....	5,522	808	982	1,742	3,532	2,034
1969.....	6,379	861	902	1,890	3,653	2,172

NOTE: 1968 figures are preliminary actual and 1969 figures are intentions.

⁽¹⁾Includes Yukon and Northwest Territories.

SOURCE: DBS and Department of Trade and Commerce *Private and Public Investment in Canada*.

REFERENCE TABLE 16
 CHANGES IN PRIVATE AND PUBLIC INVESTMENT, CANADA AND BY REGION
 1953 to 1969

Years	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia ⁽¹⁾
(Per cent change from previous year)						
1953.....	10.6	6.8	7.1	10.9	18.7	3.6
1954.....	-3.7	1.1	-0.9	-0.8	-7.2	-14.9
1955.....	12.9	20.4	13.5	8.7	8.7	32.6
1956.....	26.3	10.2	19.7	25.1	26.4	54.0
1957.....	8.7	-3.7	9.6	14.9	-5.1	18.7
1958.....	-4.1	7.5	1.2	-5.0	7.0	-28.5
1959.....	0.6	15.3	1.9	-6.6	6.9	2.1
1960.....	-1.8	2.8	-4.2	-1.5	0.5	-5.2
1961.....	-1.1	3.4	0.0	-2.2	-2.9	0.7
1962.....	6.6	14.4	7.3	9.3	1.2	2.9
1963.....	7.8	-0.6	6.8	7.5	11.5	9.9
1964.....	16.5	13.5	22.9	14.2	9.0	27.2
1965.....	17.6	17.6	13.4	16.9	15.6	32.2
1966.....	17.3	28.2	7.5	20.1	19.7	18.7
1967.....	1.5	3.6	-6.7	1.8	6.7	5.7
1968.....	2.3	3.6	2.7	3.1	5.2	-5.4
1969.....	8.7	11.2	3.2	15.5	3.4	6.8

NOTE: 1968 figures are preliminary actual and 1969 figures are intentions.

⁽¹⁾See footnote (1) on reference table 15.

SOURCE: DBS and Department of Trade and Commerce *Private and Public Investment in Canada*.

REFERENCE TABLE 17
PRIVATE AND PUBLIC CAPITAL EXPENDITURE
RECONCILIATION WITH NATIONAL ACCOUNTS INVESTMENT
1947 to 1968

Years	Private and Public Capital Expenditure—reference table 14	Deduct:			Business Gross Fixed Capital Formation—National Accounts Definition, reference table 2
		New Residential Construction by Governments	New Non-Residential Construction by Governments	New Machinery and Equipment Outlays by Governments	
		(Millions of dollars)			
1947.....	2,440	32	274	49	2,085
1948.....	3,087	26	373	69	2,619
1949.....	3,539	28	424	55	3,032
1950.....	3,936	40	488	60	3,348
1951.....	4,739	52	654	74	3,959
1952.....	5,491	38	897	105	4,451
1953.....	5,976	23	848	107	4,998
1954.....	5,721	11	828	103	4,779
1955.....	6,244	19	924	91	5,210
1956.....	8,034	21	1,137	102	6,774
1957.....	8,717	21	1,251	110	7,335
1958.....	8,364	19	1,237	133	6,975
1959.....	8,417	18	1,368	137	6,894
1960.....	8,262	13	1,420	137	6,692
1961.....	8,172	9	1,368	160	6,635
1962.....	8,715	10	1,562	183	6,960
1963.....	9,393	6	1,609	187	7,591
1964.....	10,944	7	1,618	216	9,103
1965.....	12,865	9	1,958	247	10,651
1966.....	15,090	10	2,252	335	12,493
1967.....	15,322	15	2,380	318	12,609
1968.....	15,678	13	2,609	303	12,753

SOURCE: DBS and Department of Trade and Commerce *Private and Public Investment in Canada*.
DBS *The National Accounts*.

REFERENCE TABLE 18
DWELLING STARTS, COMPLETIONS AND UNDER CONSTRUCTION
1947 to 1968

Years and Quarters	Starts			Completions			Under Construction ⁽¹⁾	
	Centres of 5,000 Population and Over ⁽²⁾	Other Areas	Total	Centres of 5,000 Population and Over ⁽²⁾	Other Areas	Total	Centres of 5,000 Population and Over ⁽²⁾	Total
(Number of units)								
1947.....	n.a.	n.a.	74,300	44,600	27,600	72,200	n.a.	42,200
1948.....	57,671	32,523	90,194	48,006	28,091	76,097	39,217	56,456
1949.....	58,370	32,139	90,509	60,262	27,971	88,233	37,344	59,503
1950.....	68,599	23,932	92,531	62,847	26,168	89,015	41,510	60,538
1951.....	47,374	21,205	68,579	61,167	20,143	81,310	26,783	45,926
1952.....	63,443	19,803	83,246	54,346	18,741	73,087	36,998	55,689
1953.....	80,313	22,096	102,409	73,375	23,464	96,839	42,808	59,923
1954.....	89,755	23,772	113,527	80,593	21,372	101,965	51,302	68,641
1955.....	97,386	40,890	138,276	93,942	33,987	127,929	53,677	79,339
1956.....	87,309	40,002	127,311	95,152	40,548	135,700	44,386	68,579
1957.....	84,875	37,465	122,340	80,995	36,288	117,283	49,508	72,573
1958.....	121,695	42,937	164,632	107,839	38,847	146,686	63,080	88,162
1959.....	105,991	35,354	141,345	108,059	37,612	145,671	59,879	81,905
1960.....	76,687	32,171	108,858	90,513	33,244	123,757	44,975	65,773
1961.....	92,741	32,836	125,577	83,148	32,460	115,608	53,195	73,583
1962.....	104,279	25,816	130,095	100,447	26,235	126,682	60,541	76,153
1963.....	120,950	27,674	148,624	101,529	26,682	128,191	79,233	96,613
1964.....	136,206	29,452	165,658	123,902	27,061	150,963	89,950	107,718
1965.....	138,779	27,786	166,565	125,475	27,562	153,037	101,786	119,854
1966.....	108,434	26,040	134,474	135,134	27,058	162,192	71,722	88,621
1967.....	131,858	32,265	164,123	120,163	29,079	149,242	82,616	102,716
1968.....	162,267	34,611	196,878	136,337	34,656	170,993	106,834	126,638
(Seasonally adjusted at annual rates)								
1966 I.....	119,900	31,300	152,600	141,600	24,900	168,300	95,800	119,000
II.....	108,700	26,500	134,800	135,500	34,700	168,900	78,500	96,200
III.....	105,300	25,800	130,900	144,000	25,000	167,700	67,700	85,200
IV.....	101,000	24,400	125,100	123,400	27,100	147,600	66,100	84,100
1967 I.....	113,800	24,800	138,300	109,500	24,800	133,200	65,600	84,600
II.....	137,600	34,400	172,200	112,700	26,800	138,600	75,000	94,100
III.....	136,400	32,900	169,300	126,100	29,700	155,900	82,100	102,000
IV.....	128,600	32,200	161,800	133,400	33,400	167,100	76,900	97,800
1968 I.....	167,700	36,500	201,800	130,600	35,300	164,200	83,500	105,900
II.....	155,200	35,000	189,100	127,600	34,200	162,400	93,200	112,900
III.....	140,200	33,900	173,800	138,900	36,100	174,600	94,000	112,900
IV.....	197,700	34,500	231,100	150,100	33,200	182,000	100,000	120,800

⁽¹⁾At end of period.

⁽²⁾Data for years 1967 and 1968 and all quarters are based on areas of 10,000 population and over.

SOURCE: CMHC *Canadian Housing Statistics*.

REFERENCE TABLE 19
 DWELLING STARTS AND COMPLETIONS, BY TYPE
 1947 to 1968

Years and Quarters	Starts					Completions				
	Single Detached	Semi-Detached and Duplex	Row	Apartment	Total	Single Detached	Semi-Detached and Duplex	Row	Apartment	Total
(Number of units)										
1947.....	n.a.	n.a.	n.a.	n.a.	74,263	n.a.	n.a.	n.a.	n.a.	72,218
1948.....	73,399	7,488	1,810	7,497	90,194	61,787	4,560	1,607	8,143	76,097
1949.....	71,425	7,536	—	11,548	90,509	68,966	7,309	485	11,473	88,233
1950.....	68,675	8,664	631	14,561	92,531	68,685	7,376	145	12,809	89,015
1951.....	53,002	5,658	54	9,865	68,579	60,366	7,568	585	12,791	81,310
1952.....	60,696	5,360	299	16,891	83,246	55,967	5,314	99	11,707	73,087
1953.....	70,782	7,202	553	23,872	102,409	68,916	7,714	372	19,837	96,839
1954.....	78,674	6,498	1,000	27,455	113,527	71,760	6,098	1,065	23,042	101,965
1955.....	99,003	10,606	1,909	26,758	138,276	90,553	8,278	1,547	27,551	127,929
1956.....	90,620	9,441	2,263	24,987	127,311	95,656	11,872	2,137	26,035	135,700
1957.....	82,955	9,272	2,214	27,899	122,340	81,096	8,464	2,350	25,373	117,283
1958.....	104,508	10,713	2,457	46,954	164,632	96,830	10,004	2,226	37,626	146,686
1959.....	92,178	10,468	1,908	36,791	141,345	95,455	10,923	2,308	36,985	145,671
1960.....	67,171	9,699	2,301	29,687	108,858	78,113	9,911	1,616	34,117	123,757
1961.....	76,430	11,650	1,864	35,633	125,577	76,171	10,593	2,019	26,825	115,608
1962.....	74,443	10,975	3,742	40,935	130,095	75,593	11,922	2,451	36,716	126,682
1963.....	77,158	7,891	3,895	59,680	148,624	71,585	7,150	3,487	45,969	128,191
1964.....	77,079	8,706	4,755	75,118	165,658	76,225	8,091	3,861	62,786	150,963
1965.....	75,441	7,924	5,306	77,894	166,565	75,104	8,730	4,097	65,106	153,037
1966.....	70,642	7,281	5,000	51,551	134,474	73,858	7,707	6,412	74,215	162,192
1967.....	72,534	9,939	7,392	74,258	164,123	73,631	9,089	5,431	61,091	149,242
1968.....	75,339	10,114	8,042	103,383	196,878	74,640	10,098	7,896	78,359	170,993
(Not seasonally adjusted)										
1966 I.....	12,016	1,355	898	8,806	23,075	16,838	1,707	1,276	16,143	35,964
II.....	16,441	1,577	1,289	15,441	34,748	23,131	2,755	1,340	20,388	47,614
III.....	18,706	1,476	1,479	15,484	37,145	15,597	1,565	2,099	20,325	39,586
IV.....	23,479	2,873	1,334	11,820	39,506	18,292	1,680	1,697	17,359	39,028
1967 I.....	7,810	1,035	451	7,793	17,089	15,376	1,553	876	12,198	30,003
II.....	23,064	3,373	2,339	22,772	51,548	15,870	2,103	1,014	16,565	35,552
III.....	24,384	3,239	2,841	22,170	52,634	19,267	2,238	1,578	14,517	37,600
IV.....	17,276	2,292	1,761	21,523	42,852	23,118	3,195	1,963	17,811	46,087
1968 I.....	9,854	1,443	792	14,689	26,778	17,176	2,584	1,553	13,899	35,212
II.....	22,349	2,775	2,225	29,545	56,894	16,721	2,429	2,411	18,881	40,442
III.....	21,596	2,535	2,515	25,928	52,574	19,578	2,376	1,761	20,147	43,862
IV.....	21,540	3,361	2,510	33,221	60,632	21,165	2,709	2,171	25,432	51,477

SOURCE: CMHC *Canadian Housing Statistics*,
 CMHC *Housing in Canada*.

REFERENCE TABLE 20
ANALYSIS OF CORPORATION PROFITS
1947 to 1968

Years and Quarters	Corporation Profits Before Taxes and Dividends Paid to Non-Residents	Corporation Income Tax Liabilities	Corporation Profits After Taxes	Dividends Paid to Non-Residents	Corporation Profits Retained in Canada	Dividends Paid to Canadian Persons ⁽¹⁾	Undistributed Corporation Profits	Corporations Capital Consumption Allowances	Gross Corporation Saving ⁽²⁾
(Millions of dollars)									
1947.....	1,814	-702	1,112	-248	864	-236	628	582	1,210
1948.....	1,964	-687	1,277	-249	1,028	-238	790	702	1,492
1949.....	1,879	-718	1,161	-317	844	-257	587	797	1,384
1950.....	2,522	-983	1,539	-404	1,135	-383	752	907	1,659
1951.....	2,825	-1,416	1,409	-370	1,039	-377	662	1,037	1,699
1952.....	2,698	-1,384	1,314	-334	980	-362	618	1,189	1,807
1953.....	2,611	-1,220	1,391	-317	1,074	-345	729	1,354	2,083
1954.....	2,290	-1,082	1,208	-327	881	-310	571	1,521	2,092
1955.....	2,965	-1,272	1,693	-395	1,298	-336	962	1,733	2,695
1956.....	3,345	-1,413	1,932	-437	1,495	-364	1,131	1,976	3,107
1957.....	3,056	-1,337	1,719	-475	1,244	-390	854	2,242	3,096
1958.....	3,075	-1,315	1,760	-470	1,290	-414	876	2,091	2,967
1959.....	3,504	-1,581	1,923	-501	1,422	-436	986	2,303	3,289
1960.....	3,338	-1,544	1,794	-458	1,336	-499	837	2,426	3,263
1961.....	3,427	-1,612	1,815	-586	1,229	-472	757	2,447	3,204
1962.....	3,819	-1,710	2,109	-584	1,525	-588	937	2,680	3,617
1963.....	4,188	-1,827	2,361	-614	1,747	-681	1,066	2,847	3,913
1964.....	4,819	-2,053	2,766	-753	2,013	-721	1,292	3,083	4,375
1965.....	5,199	-2,225	2,974	-780	2,194	-840	1,354	3,415	4,769
1966.....	5,145	-2,252	2,893	-804	2,089	-947	1,142	3,729	4,871
1967.....	5,020	-2,208	2,812	-798	2,014	-984	1,030	3,959	4,989
1968.....	5,877	-2,593	3,284	-841	2,443	-926	1,517	n.a.	n.a.
(Seasonally adjusted at annual rates)									
1966 I.....	5,380	-2,204	3,176	-728	2,448	-916	1,532	n.a.	n.a.
II.....	5,236	-2,312	2,924	-768	2,156	-936	1,220	n.a.	n.a.
III.....	4,824	-2,236	2,588	-748	1,840	-956	884	n.a.	n.a.
IV.....	5,140	-2,256	2,884	-972	1,912	-980	932	n.a.	n.a.
1967 I.....	4,796	-2,120	2,676	-684	1,992	-984	1,008	n.a.	n.a.
II.....	4,900	-2,228	2,672	-804	1,868	-988	880	n.a.	n.a.
III.....	5,148	-2,224	2,924	-856	2,068	-992	1,076	n.a.	n.a.
IV.....	5,236	-2,260	2,976	-848	2,128	-972	1,156	n.a.	n.a.
1968 I.....	5,324	-2,396	2,928	-804	2,124	-952	1,172	n.a.	n.a.
II.....	5,656	-2,480	3,176	-940	2,236	-948	1,288	n.a.	n.a.
III.....	5,960	-2,608	3,352	-904	2,448	-904	1,544	n.a.	n.a.
IV.....	6,568	-2,888	3,680	-716	2,964	-900	2,064	n.a.	n.a.

⁽¹⁾Includes charitable contributions by corporations.

⁽²⁾Sum of "undistributed corporation profits" and "corporations capital consumption allowances".

SOURCE: DBS *The National Accounts*.

Reference Table 21
CORPORATION PROFITS BEFORE TAXES BY INDUSTRY
1947 to 1968

Years and Quarters	Mines, Quarries and Oil Wells	Manufacturing	Transportation	Storage	Communication	Electric Power, Gas and Water Utilities	Wholesale Trade	Retail Trade	Finance, Insurance and Real Estate	Service Industries	Other Non-Manufacturing Industries ⁽¹⁾	Total All Industries
(Millions of dollars)												
1947.....	168	992	81	6	24	38	156	171	109	32	37	1,814
1948.....	207	1,084	61	8	24	37	169	173	114	35	52	1,964
1949.....	191	1,038	49	6	18	40	155	157	135	36	54	1,879
1950.....	272	1,400	88	8	26	47	222	187	161	39	72	2,592
1951.....	341	1,538	141	10	47	48	251	162	177	44	66	2,825
1952.....	256	1,413	131	15	59	52	238	186	220	55	73	2,698
1953.....	207	1,396	108	19	62	54	186	158	258	58	105	2,611
1954.....	221	1,186	81	11	39	49	151	130	269	49	104	2,290
1955.....	325	1,515	144	11	43	55	222	170	326	56	98	2,965
1956.....	382	1,646	177	15	48	60	295	213	318	69	122	3,345
1957.....	322	1,469	145	8	47	61	262	209	301	77	155	3,056
1958.....	246	1,401	96	12	81	57	241	241	445	73	182	3,075
1959.....	326	1,658	134	15	116	72	272	256	446	85	124	3,504
1960.....	348	1,516	132	14	129	85	228	212	510	81	83	3,338
1961.....	361	1,555	126	12	137	87	222	213	530	75	109	3,427
1962.....	406	1,816	125	12	157	96	262	233	543	93	76	3,819
1963.....	458	2,045	205	15	164	75	292	257	499	105	73	4,188
1964.....	604	2,223	284	16	190	74	345	272	607	125	79	4,819
1965.....	602	2,371	306	16	214	92	378	312	660	152	96	5,199
1966.....	570	2,302	308	19	226	94	419	297	643	176	91	5,145
1967.....	566	2,214	235	15	187	117	398	316	689	203	80	5,020
1968.....	618	2,759		428 ⁽²⁾		117	453	330	894	179	99	5,877
(Seasonally adjusted at annual rates)												
1966 I.....	604	2,472		508		92	480	332	616	192	84	5,380
II.....	624	2,356		560		92	408	276	640	184	96	5,238
III.....	556	2,148		476		92	376	288	632	160	96	4,824
IV.....	496	2,232		668		100	412	292	684	168	88	5,140
1967 I.....	560	2,084		444		140	380	264	652	208	64	4,796
II.....	512	2,136		460		92	396	316	648	248	92	4,900
III.....	580	2,244		412		120	400	388	732	196	76	5,148
IV.....	612	2,392		432		116	416	296	724	160	88	5,236
1968 I.....	636	2,436		364		116	444	340	744	164	80	5,324
II.....	628	2,632		432		108	436	316	860	152	92	5,656
III.....	648	2,668		464		128	440	320	964	192	136	5,980
IV.....	560	3,300		452		116	492	344	1,008	208	88	6,568

⁽¹⁾Includes agriculture, forestry, fishing and construction.

⁽²⁾For annual 1968 and all quarters this is the sum of transportation, storage and communication. No quarterly detail is available and the annual detail for 1968 will not be available until later in the year.

SOURCE: DBS *The National Accounts*.

DBS *Corporation Profits*, Quarterly, Cat. 61-003.

REFERENCE TABLE 22
MANUFACTURERS' INVENTORIES, SHIPMENTS AND ORDERS
 (Monthly averages)
 1961 to 1968

Years, Quarters and Months	Manufacturing					Durable Manufacturing			Non-Durable Manufacturing		
	Ship- ments	New Orders Received	Unfilled Orders	Total Inven- tories Held	Ratio of Goods in Process + Finished Products to Ship- ments	Ship- ments	New Orders Received	Unfilled Orders	Ship- ments	New Orders Received	Unfilled Orders
(Millions of dollars)											
1961.....	1,953.2	1,985.0 ⁽¹⁾	1,959.9	4,529.4	1.35	769.3	792.1 ⁽¹⁾	1,525.9	1,183.9	1,192.9 ⁽¹⁾	434.0
1962.....	2,149.2	2,158.3	2,177.2	4,866.9	1.34	882.6	894.0	1,747.3	1,266.6	1,264.0	430.0
1963.....	2,334.6	2,344.4	2,198.6	5,085.0	1.31	987.6	994.6	1,783.6	1,347.0	1,349.8	415.0
1964.....	2,571.4	2,600.9	2,497.2	5,435.9	1.26	1,120.7	1,150.9	2,069.4	1,450.7	1,450.0	427.8
1965.....	2,824.1	2,866.9	2,950.3	5,951.7	1.25	1,281.2	1,358.1	2,950.2	1,542.9	1,548.8	459.5
1966.....	3,077.4	3,126.5	3,523.3	6,661.8	1.30	1,404.9	1,455.2	3,043.9	1,672.4	1,671.2	479.4
1967.....	3,211.1	3,211.2	3,740.9	7,178.7	1.38	1,454.3	1,456.2	3,278.1	1,756.8	1,754.9	462.8
1968.....	3,387.4	3,378.6	3,663.8	7,220.7	1.32	1,569.9	1,556.6	3,177.9	1,817.8	1,822.2	488.2
(Seasonally adjusted)											
1966 I.....	3,047.1	3,104.3	3,282.5	6,373.5	1.24	1,391.9	1,453.7	2,806.6	1,655.2	1,650.6	475.8
II.....	3,048.3	3,116.4	3,501.7	6,557.0	1.29	1,394.5	1,459.2	3,020.2	1,654.3	1,657.2	481.5
III.....	3,081.3	3,113.0	3,615.4	6,758.5	1.32	1,410.7	1,438.1	3,129.9	1,673.9	1,674.9	485.6
IV.....	3,145.9	3,190.6	3,694.7	6,960.1	1.35	1,433.8	1,482.7	3,220.9	1,712.1	1,707.9	473.8
1967 I.....	3,143.8	3,133.4	3,748.8	7,072.8	1.39	1,417.2	1,407.0	3,281.0	1,726.6	1,726.3	481.2
II.....	3,182.7	3,165.3	3,710.4	7,169.7	1.40	1,430.2	1,417.8	3,243.9	1,752.5	1,747.5	466.5
III.....	3,285.8	3,288.1	3,738.4	7,281.3	1.38	1,513.3	1,521.1	3,288.2	1,772.6	1,767.0	450.3
IV.....	3,283.9	3,308.0	3,755.8	7,199.5	1.35	1,494.9	1,515.9	3,301.7	1,789.0	1,729.1	454.0
1968 I.....	3,226.2	3,192.3	3,711.7	7,205.3	1.37	1,445.3	1,401.1	3,237.5	1,780.9	1,791.2	474.2
II.....	3,344.8	3,328.2	3,644.6	7,159.2	1.32	1,534.8	1,523.6	3,164.3	1,809.9	1,804.6	480.3
III.....	3,458.2	3,465.7	3,629.0	7,237.1	1.30	1,644.5	1,640.7	3,142.8	1,813.7	1,824.9	486.1
IV.....	3,521.7	3,529.3	3,679.0	7,288.3	1.28	1,655.1	1,661.1	3,167.0	1,866.6	1,868.2	512.0
(Seasonally adjusted)											
1968 J.....	3,257.0	3,224.8	3,751.6	7,199.7	1.36	1,475.4	1,432.5	3,286.7	1,781.6	1,792.3	464.9
F.....	3,211.5	3,161.4	3,701.5	7,213.7	1.38	1,446.2	1,388.1	3,228.6	1,765.3	1,773.3	472.9
M.....	3,210.1	3,190.7	3,682.1	7,202.5	1.38	1,414.2	1,382.8	3,197.2	1,795.9	1,807.9	484.9
A.....	3,300.8	3,275.8	3,657.1	7,185.1	1.34	1,487.3	1,458.8	3,168.7	1,813.5	1,817.0	488.4
M.....	3,372.5	3,359.8	3,644.4	7,146.1	1.31	1,562.8	1,554.8	3,160.7	1,809.7	1,805.0	483.7
J.....	3,361.0	3,348.9	3,632.3	7,146.4	1.32	1,554.4	1,557.1	3,163.4	1,806.8	1,791.8	468.9
J.....	3,380.6	3,376.7	3,628.4	7,195.9	1.32	1,574.8	1,567.1	3,155.9	1,805.8	1,809.4	472.5
A.....	3,444.4	3,419.7	3,603.7	7,235.5	1.31	1,639.5	1,603.9	3,120.3	1,804.9	1,815.8	483.4
S.....	3,549.6	3,600.7	3,654.8	7,279.9	1.26	1,719.1	1,751.1	3,152.3	1,830.5	1,849.6	502.5
O.....	3,578.0	3,581.3	3,658.1	7,288.1	1.25	1,729.6	1,726.7	3,149.4	1,848.4	1,854.6	508.7
N.....	3,533.8	3,576.9	3,701.2	7,264.0	1.27	1,660.0	1,691.8	3,181.2	1,873.8	1,885.1	520.0
D.....	3,453.2	3,429.7	3,677.7	7,312.8	1.31	1,575.6	1,564.9	3,170.5	1,877.6	1,864.8	507.2

⁽¹⁾Eleven month average for 1961 only.

SOURCE: DBS Inventories, Shipments and Orders in Manufacturing Industries, Monthly, Cat. 31-001.

REFERENCE TABLE 23
 INDEXES OF REAL DOMESTIC PRODUCT BY INDUSTRY
 1947 to 1968
 (1961=100)

Years and Quarters	Real Domestic Product	Agriculture	Real Domestic Product less Agriculture	Mines, Quarries and Oil Wells	Manufacturing			Con- struction
					Total	Non- Durable	Durable	
(Weights).....	(100.000)	(4.557)	(95.443)	(4.298)	(24.741)	(13.608)	(11.133)	(5.840)
1947.....	54.8	89.2	52.1	27.7	55.4	53.5	57.9	41.4
1948.....	56.7	92.1	54.0	31.8	57.8	55.3	61.0	46.3
1949.....	58.4	86.8	56.2	35.3	59.5	57.4	62.0	51.9
1950.....	62.4	94.9	60.0	38.7	63.4	61.4	66.1	56.0
1951.....	67.3	108.3	64.1	43.6	68.9	64.4	74.6	56.5
1952.....	72.5	132.6	67.8	46.5	71.5	66.2	73.0	64.1
1953.....	75.5	121.2	72.0	50.6	76.6	70.8	84.0	71.9
1954.....	74.3	93.1	72.8	56.1	74.9	71.9	78.7	73.7
1955.....	82.1	114.9	79.5	68.4	82.2	77.2	88.6	81.9
1956.....	89.1	122.0	86.5	77.1	89.9	83.5	98.0	92.2
1957.....	89.5	102.6	83.5	84.6	89.7	85.5	95.1	100.2
1958.....	91.0	113.8	89.3	86.0	88.0	86.9	89.5	103.7
1959.....	95.7	110.2	94.6	97.3	94.5	92.9	96.5	98.7
1960.....	98.0	115.3	96.6	97.4	96.1	95.4	97.0	97.0
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	106.9	121.2	106.3	104.8	110.5	107.1	114.8	104.6
1963.....	112.3	135.8	111.2	110.6	118.0	112.5	124.7	105.9
1964.....	119.5	122.3	119.4	124.9	129.2	120.9	139.4	117.4
1965.....	127.8	128.3	127.8	131.6	141.0	128.4	156.3	133.7
1966.....	135.5	145.4	135.0	136.5	151.2	135.9	170.0	141.7
1967.....	139.1	124.7	139.8	145.2	151.7	137.6	168.9	142.4
1968.....	145.4	133.5	145.9	152.7	159.4	143.9	178.4	149.7
(Seasonally adjusted)								
1966 I.....	134.6	146.5	134.1	137.6	150.3	135.2	168.9	146.2
II.....	135.0	146.1	134.5	137.5	150.9	136.0	169.1	144.9
III.....	135.3	141.8	134.9	132.7	151.3	135.3	170.8	138.8
IV.....	137.0	144.8	136.7	139.2	152.3	136.7	171.4	137.7
1967 I.....	137.8	144.9	137.5	141.1	150.6	136.4	168.0	139.1
II.....	139.4	131.4	139.8	144.8	151.3	137.7	167.9	143.4
III.....	139.7	118.8	140.7	146.0	151.9	137.5	169.5	146.2
IV.....	140.6	122.3	141.5	150.7	153.5	139.0	171.2	141.6
1968 I.....	142.7	137.4	142.9	151.2	154.0	142.3	168.2	143.1
II.....	144.7	130.9	145.3	152.2	158.7	143.7	177.1	151.5
III.....	145.6	128.4	146.5	152.9	159.6	141.9	181.3	151.8
IV.....	148.6	137.8	149.1	154.5	165.1	147.5	186.6	152.7

REFERENCE TABLE 23 (Continued)
 INDEXES OF REAL DOMESTIC PRODUCT BY INDUSTRY
 1947 to 1968
 (1961=100)

Years and Quarters	Electric Power, Gas and Water Utilities	Trans- portation, Storage and Communi- cation	Trade			Finance, Insurance and Real Estate	Total Community, Business and Personal Service	Public Adminis- tration and Defence
			Total	Wholesale	Retail			
(Weights).....	(2.812)	(9.985)	(12.721)	(4.788)	(7.933)	(12.013)	(13.789)	(7.725)
1947.....	28.4	57.2	57.2	53.8	59.1	n.a.	58.9	n.a.
1948.....	30.0	58.1	56.4	54.2	57.7	n.a.	60.8	n.a.
1949.....	31.6	58.2	58.8	55.6	50.6	n.a.	63.4	n.a.
1950.....	35.8	60.2	63.0	57.7	66.0	n.a.	65.5	n.a.
1951.....	40.9	65.9	63.7	62.5	64.5	n.a.	68.5	n.a.
1952.....	44.5	69.6	68.0	66.4	69.0	n.a.	71.7	n.a.
1953.....	46.7	70.5	72.6	70.3	74.0	n.a.	74.4	n.a.
1954.....	51.1	68.8	73.4	70.7	75.0	n.a.	75.8	n.a.
1955.....	57.9	78.1	81.8	79.9	82.9	n.a.	77.7	n.a.
1956.....	64.6	87.1	89.2	88.3	89.7	n.a.	82.4	n.a.
1957.....	69.5	87.4	89.2	87.3	90.4	n.a.	85.0	n.a.
1958.....	76.3	84.4	91.3	88.9	92.7	n.a.	88.2	n.a.
1959.....	86.6	91.2	97.4	98.0	97.2	n.a.	93.0	n.a.
1960.....	94.4	93.9	97.6	97.3	97.9	n.a.	96.7	n.a.
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	107.1	104.1	105.6	105.5	105.7	104.0	105.4	103.4
1963.....	112.5	111.1	109.6	109.2	109.9	108.1	109.8	104.0
1964.....	123.3	120.2	116.0	116.1	115.9	112.9	117.0	105.2
1965.....	134.0	127.2	124.3	125.7	123.6	117.2	125.7	106.2
1966.....	147.8	136.4	129.8	130.0	129.7	120.4	132.5	109.3
1967.....	161.3	144.3	135.3	134.5	135.8	125.7	138.8	116.8
1968.....	174.4	150.2	140.1	138.9	140.8	130.6	144.1	120.1
(Seasonally adjusted)								
1966 I.....	144.1	133.1	130.4	131.3	129.9	119.0	130.1	107.9
II.....	146.4	136.2	128.6	126.9	126.4	119.7	131.9	108.4
III.....	148.5	136.2	130.1	128.9	130.9	121.0	133.1	109.9
IV.....	152.4	139.6	132.3	133.2	131.8	121.9	134.8	110.9
1967 I.....	158.1	142.8	131.4	129.3	132.7	123.4	136.5	112.7
II.....	160.8	144.3	136.7	137.1	136.5	125.2	138.7	116.2
III.....	162.3	145.1	136.0	135.2	136.5	126.7	139.9	117.4
IV.....	164.9	146.2	137.4	137.4	137.3	127.8	140.3	117.9
1968 I.....	169.2	150.0	137.2	136.3	137.8	129.0	141.9	120.3
II.....	170.8	148.8	139.5	142.7	137.7	130.2	142.8	120.1
III.....	177.8	149.8	141.4	138.3	143.2	131.0	144.4	119.8
IV.....	181.6	154.2	141.3	137.2	143.8	132.1	147.3	119.4

SOURCE: DBS *Indexes of Real Domestic Product by Industry (1961 Base)*, Occasional, Cat. 61-506.
 DBS *Index of Industrial Production*, Monthly, Cat. 61-005.
 DBS *Aggregate Productivity Trends*, Annual, Cat. 14-201.

REFERENCE TABLE 24

CHANGES IN THE INDEXES OF REAL DOMESTIC PRODUCT BY INDUSTRY

1947 to 1968

(1961=100)

Years and Quarters	Real Domestic Product	Agriculture	Real Domestic Product less Agriculture	Mines, Quarries and Oil Wells	Manufacturing			Con- struction
					Total	Non- Durable	Durable	
(Per cent change from previous period)								
1947.....	4.4	-6.1	6.1	5.3	9.3	3.9	16.7	16.6
1948.....	3.5	3.3	3.6	14.8	4.3	3.4	5.4	11.8
1949.....	3.0	-5.8	4.1	11.0	2.9	3.8	1.6	12.1
1950.....	6.8	9.3	6.8	9.6	6.6	7.0	6.6	7.9
1951.....	7.9	14.1	6.8	12.7	8.7	4.9	12.9	0.9
1952.....	7.7	22.4	5.8	6.7	3.8	2.8	4.6	13.5
1953.....	4.1	-8.6	6.2	8.8	7.1	6.9	7.7	12.2
1954.....	-1.6	-23.2	1.1	10.9	-2.2	1.6	-6.3	2.5
1955.....	10.5	23.4	9.2	18.4	9.7	7.4	12.6	11.1
1956.....	8.5	6.2	8.8	16.1	9.4	8.2	10.6	12.6
1957.....	0.4	-15.9	2.3	9.7	-0.2	2.4	-3.0	8.7
1958.....	1.7	10.9	0.9	1.7	-1.9	1.6	-5.9	3.5
1959.....	5.2	-3.2	5.9	13.1	7.4	6.9	7.8	-4.8
1960.....	2.4	4.6	2.1	0.1	1.7	2.7	0.5	-1.7
1961.....	2.0	-13.3	3.5	2.7	4.1	4.8	3.1	3.1
1962.....	6.9	21.2	6.3	4.7	10.5	7.1	14.8	4.6
1963.....	5.0	12.0	4.7	5.5	6.7	5.1	8.6	1.3
1964.....	6.4	-10.0	7.4	13.0	9.5	7.5	11.8	10.9
1965.....	6.9	4.9	7.0	5.4	9.1	6.2	12.2	13.9
1966.....	6.0	13.3	5.7	3.7	7.3	5.8	8.7	5.9
1967.....	2.7	-14.2	3.5	6.4	0.3	1.3	-0.6	0.5
1968.....	4.5	7.1	4.4	3.2	5.1	4.6	5.6	5.1
(Seasonally adjusted)								
1966 I.....	2.4	14.8	1.8	2.2	2.3	2.0	2.7	6.5
II.....	0.3	-0.3	0.3	-0.1	0.4	0.6	0.1	-0.9
III.....	0.2	-2.9	0.3	-3.5	0.3	-0.5	1.0	-4.2
IV.....	1.3	2.1	1.2	4.9	0.7	1.0	0.3	-0.8
1967 I.....	0.6	0.1	0.6	1.4	-1.1	-0.2	-2.0	1.0
II.....	1.2	-9.3	1.7	2.6	0.5	1.0	-0.1	3.1
III.....	0.2	-9.6	0.6	0.8	0.4	-0.2	1.0	2.0
IV.....	0.7	2.9	0.6	3.2	1.0	1.1	1.0	-3.1
1968 I.....	1.5	12.3	1.0	0.3	0.3	2.4	-1.8	1.1
II.....	1.4	-4.7	1.7	0.7	3.1	1.0	5.3	5.9
III.....	0.6	-1.9	0.8	0.5	0.6	-1.3	2.4	0.2
IV.....	2.1	7.3	1.8	1.0	3.4	3.9	2.9	0.6

REFERENCE TABLE 24 (Continued)

CHANGES IN THE INDEXES OF REAL DOMESTIC PRODUCT BY INDUSTRY

1947 to 1968

(1961=100)

Years and Quarters	Electric Power, Gas and Water Utilities	Trans- portation, Storage and Communi- cation	Trade			Finance, Insurance and Real Estate	Community, Business and Personal Service	Public Adminis- tration and Defence
			Total	Wholesale	Retail			
(Per cent change from previous period)								
1947.....	13.1	8.5	9.0	7.8	9.4	n.a.	4.1	n.a.
1948.....	5.6	1.6	-1.4	0.7	-2.4	n.a.	3.2	n.a.
1949.....	5.3	0.2	4.3	2.6	5.0	n.a.	4.3	n.a.
1950.....	13.3	3.4	7.1	3.8	8.9	n.a.	3.3	n.a.
1951.....	14.2	9.5	1.1	8.3	-2.3	n.a.	4.6	n.a.
1952.....	8.8	5.6	6.8	6.2	7.0	n.a.	4.7	n.a.
1953.....	4.9	1.3	6.8	5.9	7.2	n.a.	3.8	n.a.
1954.....	9.4	-2.4	1.1	0.6	1.4	n.a.	1.9	n.a.
1955.....	13.3	13.5	11.4	13.0	10.5	n.a.	2.5	n.a.
1956.....	11.6	11.5	9.0	10.5	8.2	n.a.	6.0	n.a.
1957.....	7.6	0.3	0.0	-1.1	0.8	n.a.	3.2	n.a.
1958.....	9.8	-3.4	2.4	1.8	2.5	n.a.	3.8	n.a.
1959.....	13.5	8.1	6.7	10.2	4.9	n.a.	5.4	n.a.
1960.....	9.0	3.0	0.2	-0.7	0.7	n.a.	4.0	n.a.
1961.....	5.9	6.5	2.5	2.8	2.1	0.0	3.4	0.0
1962.....	7.1	4.1	5.7	5.4	5.8	4.0	5.4	3.4
1963.....	5.0	6.7	3.8	3.5	4.0	4.0	4.2	0.6
1964.....	9.7	8.3	5.8	6.4	5.6	4.4	6.6	1.2
1965.....	8.6	5.8	7.2	8.2	6.6	3.8	7.4	0.9
1966.....	10.3	7.2	4.4	3.4	5.0	2.8	5.4	2.9
1967.....	9.2	5.8	4.3	3.5	4.8	4.4	4.8	6.9
1968.....	8.1	4.1	3.5	3.3	3.7	3.9	3.8	2.8
(Seasonally adjusted)								
1966 I.....	2.1	-0.2	2.3	2.2	2.4	0.6	1.2	0.7
II.....	1.6	2.4	-3.0	-3.4	-2.7	0.6	1.4	0.4
III.....	1.5	-0.1	2.8	1.6	3.6	1.1	0.9	1.4
IV.....	2.6	2.5	1.7	3.3	0.7	0.7	1.3	0.9
1967 I.....	3.7	2.3	-0.7	-2.9	0.7	1.2	1.3	1.7
II.....	1.8	1.0	4.0	6.0	2.9	1.4	1.6	3.1
III.....	0.9	0.6	-0.5	-1.4	—	1.2	0.9	1.0
IV.....	1.6	0.8	1.0	1.6	0.7	0.9	0.3	0.4
1968 I.....	2.6	2.6	-0.1	-0.8	0.4	0.9	1.1	2.0
II.....	0.9	-0.8	1.7	4.7	-0.1	0.9	0.6	-0.2
III.....	4.1	0.7	1.4	-3.1	4.0	0.6	1.1	-0.3
IV.....	2.1	2.9	-0.1	-0.8	0.4	0.8	2.0	-0.3

SOURCE: DBS Aggregate Productivity Trends.

DBS Indexes of Real Domestic Product by Industry (1961 Base).

DBS Index of Industrial Production (1961=100).

REFERENCE TABLE 25

INDEXES OF REAL DOMESTIC PRODUCT BY MAJOR INDUSTRIAL GROUPING

1947 to 1968

(1961 = 100)

Years and Quarters	Commercial Industries	Commercial Industries less Agriculture	Goods-Producing Industries	Goods-Producing Industries less Agriculture	Service-Producing Industries	Non-Commercial Industries	Commercial Service-Producing Industries	Index of Industrial Production
(Weights).....	(84.355)	(79.798)	(43.767)	(39.210)	(56.233)	(15.645)	(40.588)	(31.851)
1947.....	55.0	52.1	54.0	48.5	55.7	n.a.	55.8	48.9
1948.....	57.0	54.0	56.8	51.3	56.7	n.a.	56.9	51.5
1949.....	58.5	56.1	57.8	53.3	59.1	n.a.	59.1	53.4
1950.....	62.7	59.9	62.6	57.6	62.2	n.a.	62.2	57.3
1951.....	67.5	64.0	68.6	62.4	65.8	n.a.	65.7	62.7
1952.....	72.5	67.4	74.5	65.5	70.0	n.a.	69.4	65.3
1953.....	75.5	71.5	77.4	70.6	73.3	n.a.	72.4	70.1
1954.....	73.8	72.2	73.9	71.0	74.7	n.a.	73.3	70.0
1955.....	82.1	79.3	83.7	78.8	80.2	n.a.	79.4	77.7
1956.....	89.5	86.8	91.9	87.3	85.7	n.a.	85.6	85.8
1957.....	89.7	88.6	91.0	89.2	87.7	n.a.	87.6	87.2
1958.....	91.0	89.1	92.4	89.1	89.4	n.a.	88.7	86.7
1959.....	95.9	94.7	96.8	94.8	94.4	n.a.	94.1	94.2
1960.....	98.0	96.5	99.0	96.5	96.6	n.a.	96.3	96.2
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	107.3	106.5	109.9	108.6	104.6	105.0	104.5	109.5
1963.....	113.3	112.0	116.8	114.6	108.8	107.4	109.3	116.5
1964.....	120.8	120.8	125.6	125.9	114.9	112.5	115.6	128.1
1965.....	129.6	129.6	136.4	137.3	121.2	118.4	122.0	139.1
1966.....	137.8	137.4	146.7	146.8	126.8	123.1	128.0	148.9
1967.....	140.7	141.7	146.7	149.3	133.2	130.4	134.0	151.7
1968.....	147.1	147.9	154.7	157.1	138.1	135.9	138.3	159.8
(Seasonally adjusted)								
1966 I.....	137.1	136.6	146.6	146.6	125.3	121.2	n.a.	148.1
II.....	137.4	136.9	147.1	147.2	125.6	122.4	n.a.	148.7
III.....	137.4	137.1	145.6	146.0	127.2	123.7	n.a.	148.5
IV.....	139.3	138.9	147.3	147.6	129.0	124.9	n.a.	150.5
1967 I.....	139.9	139.6	147.3	147.6	130.4	126.8	n.a.	150.0
II.....	141.2	141.8	147.3	149.2	133.2	129.8	n.a.	151.3
III.....	141.2	142.5	147.0	150.2	134.0	131.6	n.a.	152.0
IV.....	142.2	143.4	147.9	150.9	134.9	132.0	n.a.	154.1
1968 I.....	144.2	144.6	150.5	152.0	136.6	134.5	n.a.	154.9
II.....	146.4	147.3	154.1	156.8	137.3	135.3	n.a.	158.9
III.....	147.4	148.5	154.9	158.0	138.4	136.2	n.a.	160.3
IV.....	150.7	151.5	159.6	162.1	140.1	137.1	n.a.	165.1

SOURCE: DBS *Indexes of Real Domestic Product by Industry (1961 Base)*.DBS *Index of Industrial Production*.DBS *Aggregate Productivity Trends*.

REFERENCE TABLE 26
CHANGES IN THE INDEXES OF REAL DOMESTIC PRODUCT
BY MAJOR INDUSTRIAL GROUPING
1947 to 1968

Years and Quarters	Commercial Industries	Commercial Industries less Agriculture	Goods-Producing Industries	Goods-Producing Industries less Agriculture	Service-Producing Industries	Non-Commercial Industries	Commercial Service-Producing Industries	Index of Industrial Production
(Per cent change from previous period)								
1947.....	6.6	8.8	5.9	10.0	2.8	n.a.	7.7	9.4
1948.....	3.6	3.6	5.2	5.8	1.8	n.a.	2.0	5.3
1949.....	2.6	3.9	1.8	3.9	4.2	n.a.	3.9	3.7
1950.....	7.2	6.8	8.3	8.1	5.2	n.a.	5.2	7.3
1951.....	7.7	6.8	9.6	8.3	5.8	n.a.	5.6	9.4
1952.....	7.4	5.3	8.6	5.0	6.4	n.a.	5.6	4.1
1953.....	4.1	6.1	3.9	7.8	4.7	n.a.	4.3	7.4
1954.....	-2.3	1.0	-4.5	0.6	1.9	n.a.	1.2	-0.1
1955.....	11.2	9.8	13.3	11.0	7.4	n.a.	8.3	11.0
1956.....	9.0	9.5	9.8	10.8	6.9	n.a.	7.8	10.4
1957.....	0.2	2.1	-1.0	2.2	2.3	n.a.	2.3	1.6
1958.....	1.4	0.6	1.5	-0.1	1.9	n.a.	1.3	-0.6
1959.....	5.4	6.3	4.8	6.4	5.6	n.a.	6.1	8.7
1960.....	2.2	1.9	2.3	1.8	2.3	n.a.	2.3	2.1
1961.....	2.0	3.6	1.0	3.6	3.5	n.a.	3.8	4.0
1962.....	7.3	6.5	9.9	8.6	4.7	4.9	4.5	9.5
1963.....	5.5	5.1	6.3	5.6	4.0	2.3	4.6	6.4
1964.....	6.7	7.9	7.5	9.9	5.5	4.8	5.8	10.0
1965.....	7.2	7.4	8.6	9.0	5.5	5.2	5.5	8.5
1966.....	6.4	6.0	7.6	6.9	4.7	4.0	4.9	7.1
1967.....	2.1	3.1	0.0	1.7	5.0	5.9	4.7	1.8
1968.....	4.5	4.4	5.5	5.2	3.7	4.2	3.2	5.3
(Seasonally adjusted)								
1966 I.....	2.7	2.0	4.0	2.9	1.0	0.9	n.a.	2.3
II.....	0.2	0.2	0.3	0.4	0.3	1.0	n.a.	0.4
III.....	—	0.2	-1.0	-0.8	1.2	1.1	n.a.	-0.1
IV.....	1.4	1.3	1.1	1.0	1.4	1.0	n.a.	1.3
1967 I.....	0.4	0.4	—	—	1.1	1.5	n.a.	-0.3
II.....	0.9	1.6	—	1.1	2.2	2.4	n.a.	0.9
III.....	—	0.5	-0.3	0.7	0.6	1.4	n.a.	0.5
IV.....	0.7	0.6	0.7	0.5	0.7	0.3	n.a.	1.4
1968 I.....	1.4	0.8	1.8	0.7	1.3	1.9	n.a.	0.5
II.....	1.5	1.9	2.4	3.2	0.5	0.6	n.a.	2.6
III.....	0.7	0.8	0.5	0.8	0.8	0.7	n.a.	0.9
IV.....	2.2	2.0	3.0	2.6	1.2	0.7	n.a.	3.0

SOURCE: DBS Aggregate Productivity Trends.
DBS Indexes of Real Domestic Product by Industry (1961 Base).
DBS Index of Industrial Production (1961 = 100).

REFERENCE TABLE 27
 MAIN COMPONENTS OF THE LABOUR MARKET^(a)
 1954 to 1969

Years and Months	Population 14 Years and Over	Labour Force			Employment		
		Total	Male	Female	Total	Male	Female
(Thousands of persons)							
1954.....	10,391	5,493	4,263	1,231	5,243	4,044	1,199
1955.....	10,597	5,610	4,341	1,269	5,364	4,128	1,236
1956.....	10,807	5,782	4,437	1,346	5,585	4,266	1,320
1957.....	11,123	6,008	4,573	1,435	5,731	4,329	1,402
1958.....	11,388	6,137	4,641	1,496	5,706	4,263	1,442
1959.....	11,605	6,242	4,687	1,554	5,870	4,363	1,507
1960.....	11,831	6,411	4,754	1,657	5,965	4,368	1,597
1961.....	12,053	6,521	4,782	1,739	6,055	4,381	1,674
1962.....	12,280	6,615	4,819	1,797	6,225	4,488	1,737
1963.....	12,536	6,748	4,879	1,870	6,375	4,567	1,808
1964.....	12,817	6,933	4,961	1,972	6,609	4,698	1,911
1965.....	13,128	7,141	5,065	2,076	6,862	4,842	2,020
1966.....	13,475	7,420	5,193	2,227	7,152	4,983	2,169
1967.....	13,874	7,694	5,329	2,365	7,379	5,083	2,296
1968.....	14,264	7,919	5,443	2,476	7,537	5,146	2,391
(Seasonally adjusted ⁽²⁾)							
1968 J.....	14,086	7,759	5,353	2,425	7,415	5,065	2,348
F.....	14,115	7,788	5,374	2,433	7,433	5,079	2,357
M.....	14,151	7,771	5,367	2,411	7,404	5,067	2,333
A.....	14,184	7,848	5,424	2,437	7,480	5,122	2,355
M.....	14,213	7,868	5,429	2,433	7,484	5,132	2,349
J.....	14,249	8,020	5,522	2,470	7,583	5,198	2,375
J.....	14,281	7,946	5,463	2,469	7,533	5,157	2,374
A.....	14,316	7,948	5,462	2,479	7,548	5,161	2,385
S.....	14,349	7,988	5,454	2,512	7,606	5,179	2,425
O.....	14,378	8,023	5,480	2,527	7,622	5,193	2,437
N.....	14,407	8,064	5,494	2,562	7,667	5,194	2,494
D.....	14,435	8,035	5,485	2,545	7,651	5,192	2,457
1969 J.....	14,470	8,099	5,534	2,583	7,753	5,265	2,486
F.....	14,495	8,128	5,533	2,605	7,779	5,265	2,515
M.....	14,528	8,108	5,529	2,566	7,771	5,287	2,479
A.....	14,557	8,207	5,571	2,647	7,842	5,283	2,554

REFERENCE TABLE 27 (Continued)
 MAIN COMPONENTS OF THE LABOUR MARKET^(a)
 1954 to 1969

Years and Months	Unemployment Rate			Participation Rate			Unemploy- ment	Total Immigra- tion	Immi- grants Destined to the Labour Force
	Total	Male	Female	Total	Male	Female			
	(Per cent)						(Thousands of persons)		
1954.....	4.6	5.1	2.6	52.9	52.2	23.7	250	154	84
1955.....	4.4	4.9	2.6	52.9	52.1	23.9	245	110	58
1956.....	3.4	3.9	1.9	53.5	52.2	24.9	197	165	91
1957.....	4.6	5.3	2.3	54.0	52.3	25.8	278	282	152
1958.....	7.0	8.1	3.6	53.9	51.7	26.2	432	125	63
1959.....	6.0	6.9	3.0	53.8	51.0	26.7	372	107	54
1960.....	7.0	8.1	3.6	54.2	50.7	27.9	446	104	54
1961.....	7.1	8.4	3.7	54.1	79.8	28.7	466	72	35
1962.....	5.9	6.9	3.3	53.9	79.1	29.0	390	75	37
1963.....	5.5	6.4	3.3	53.8	78.5	29.6	374	93	46
1964.....	4.7	5.3	3.1	54.1	78.1	30.5	324	113	56
1965.....	3.9	4.4	2.7	54.4	77.9	31.3	280	147	74
1966.....	3.6	4.0	2.6	55.1	77.8	32.8	267	195	99
1967.....	4.1	4.6	3.0	55.5	77.5	33.8	315	223	120
1968.....	4.8	5.5	3.4	55.5	77.0	34.4	382	184	95
	(Seasonally adjusted ⁽²⁾)								
1968 J.....	4.4	5.1	3.1	55.2	76.6	34.1	344		
F.....	4.6	5.2	3.1	55.3	76.7	34.2	355	36	19
M.....	4.7	5.4	3.2	55.2	76.4	33.8	367		
A.....	4.7	5.3	3.3	55.4	77.2	34.1	368		
M.....	4.9	5.5	3.4	55.3	77.1	34.0	384	50	26
J.....	5.4	6.1	3.8	56.2	78.2	34.4	437		
J.....	5.2	5.7	3.8	55.6	77.2	34.3	413		
A.....	5.0	5.5	3.8	55.4	77.0	34.3	400	51	26
S.....	4.8	5.4	3.4	55.6	76.7	34.7	382		
O.....	5.0	5.6	3.6	55.6	76.9	34.9	401		
N.....	4.9	5.7	3.4	55.9	77.0	35.2	397	48	25
D.....	4.8	5.4	3.5	55.6	76.7	35.0	384		
1969 J.....	4.3	4.7	3.6	56.0	77.1	35.3	346		
F.....	4.3	4.8	3.4	56.1	76.9	35.6	349	n.a.	n.a.
M.....	4.2	4.6	3.2	55.9	76.7	35.0	337		
A.....	4.4	5.0	3.4	56.5	77.2	36.0	365		

^(a)Small differences in totals may arise due to the seasonal adjustment process, or rounding.

⁽²⁾Immigration statistics are by quarters and are not seasonally adjusted. Population figures are not seasonally adjusted.

SOURCE: DBS *The Labour Force*, Monthly, Cat. 71-001.

Department of Manpower and Immigration *Immigration Statistics*.

Department of Manpower and Immigration *Quarterly Immigration Bulletin*.

REFERENCE TABLE 28
CHANGES IN THE MAIN COMPONENTS OF THE LABOUR MARKET
1954 to 1969

Years and Months	Population 14 Years and Over	Labour Force			Employment		
		Total	Male	Female	Total	Male	Female
(Per cent change from same period a year ago)							
1954.....	2.2	1.8	1.4	3.4	0.2	-0.5	2.3
1955.....	2.0	2.1	1.8	3.1	2.3	2.1	3.1
1956.....	2.0	3.1	2.2	6.1	4.1	3.3	6.8
1957.....	2.9	3.9	3.1	6.6	2.6	1.5	6.2
1958.....	2.4	2.1	1.5	4.3	-0.4	-1.5	2.9
1959.....	1.9	1.7	1.0	3.9	-2.9	2.3	4.5
1960.....	1.9	2.7	1.4	6.6	1.6	0.1	6.0
1961.....	1.9	1.7	0.6	4.9	1.5	0.3	4.8
1962.....	1.9	1.4	0.8	3.3	2.8	2.4	3.8
1963.....	2.1	2.0	1.2	4.1	2.4	1.8	4.1
1964.....	2.2	2.7	1.7	5.5	3.7	2.9	5.7
1965.....	2.4	3.0	2.1	5.3	3.8	3.1	5.7
1966.....	2.6	3.9	2.5	7.3	4.2	2.9	7.4
1967.....	3.0	3.7	2.6	6.2	3.2	2.0	5.9
1968.....	2.8	2.9	2.1	4.7	2.1	1.2	4.1
(Seasonally adjusted ⁽¹⁾)							
1968 J.....	3.0	2.4	1.4	5.9	1.7	0.0	5.4
F.....	2.9	2.6	2.0	4.9	1.8	0.4	4.8
M.....	2.9	1.3	1.2	2.3	0.5	-0.2	2.0
A.....	2.9	2.8	2.4	4.5	2.1	1.2	4.1
M.....	2.8	2.1	1.7	2.7	1.3	0.9	2.3
J.....	2.8	4.0	3.5	4.4	2.6	2.2	3.5
J.....	2.7	2.6	1.9	3.5	1.4	1.0	2.4
A.....	2.8	2.6	1.6	4.0	1.5	0.8	2.9
S.....	2.8	3.4	2.0	5.6	2.7	1.4	5.2
O.....	2.7	4.1	2.6	7.0	3.7	2.4	6.5
N.....	2.7	4.1	2.8	6.7	3.5	2.2	6.6
D.....	2.7	3.1	2.4	4.7	3.0	2.4	4.4
1969 J.....	2.7	4.4	3.4	6.5	4.6	3.9	5.9
F.....	2.7	4.4	3.0	7.1	4.7	3.7	6.7
M.....	2.7	4.3	3.0	6.4	5.0	4.3	6.3
A.....	2.6	4.6	2.7	8.6	4.8	3.1	8.5

⁽¹⁾Population figures are not seasonally adjusted.

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 29
PARTICIPATION RATES BY SEX AND AGE GROUPS
1954 to 1969

Years and Months	14-19		20-24		25-44		45-64		65+	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
(Per cent)										
1954.....	50.2	33.6	92.0	46.6	97.3	23.3	91.3	18.1	33.2	3.7
1955.....	48.6	32.9	92.2	46.3	97.6	23.8	91.8	19.0	32.3	3.9
1956.....	48.1	33.9	91.7	47.1	97.6	24.5	92.0	20.8	34.0	4.5
1957.....	47.8	33.1	91.4	46.5	97.7	25.7	92.5	22.9	34.1	5.0
1958.....	45.6	32.1	91.7	47.4	97.8	26.2	92.5	24.1	32.1	5.2
1959.....	43.6	32.1	91.0	46.5	97.8	27.0	92.4	25.1	31.0	5.2
1960.....	42.8	32.6	91.2	47.9	97.8	28.3	92.5	26.7	30.3	5.6
1961.....	40.3	32.3	90.7	48.7	97.7	29.2	92.2	28.5	29.3	5.9
1962.....	39.6	30.9	88.6	49.7	97.7	29.8	91.7	29.4	28.5	5.6
1963.....	39.2	29.9	88.7	50.3	97.7	30.5	91.9	30.5	26.4	5.9
1964.....	38.3	29.9	88.2	51.0	97.7	31.7	91.8	31.6	26.8	6.3
1965.....	38.7	30.2	87.6	52.6	97.6	32.6	91.9	32.9	26.3	6.0
1966.....	38.6	31.4	87.4	55.6	97.6	34.3	91.8	33.9	26.4	5.9
1967.....	39.4	31.6	86.0	66.6	97.3	35.7	91.7	35.1	24.7	5.9
1968.....	39.1	31.3	84.4	58.4	97.0	36.4	91.1	35.4	24.4	5.9
(Seasonally adjusted)										
1968 J.....	38.3	32.1	83.2	57.2	97.2	35.7	91.2	35.2	23.1	5.9
F.....	39.4	31.8	82.8	57.7	97.1	35.6	91.1	35.1	23.4	6.3
M.....	38.7	31.5	83.7	57.5	97.1	35.8	91.1	34.4	23.6	6.0
A.....	39.7	31.3	84.2	57.9	97.1	36.1	91.4	34.8	25.1	5.6
M.....	39.3	30.2	84.7	58.6	97.0	36.1	90.7	34.9	24.5	5.6
J.....	44.3	32.8	85.3	58.6	97.2	36.2	91.1	35.2	24.3	5.9
J.....	38.5	31.3	85.8	60.0	97.1	36.1	91.2	34.8	24.8	6.2
A.....	36.4	30.9	85.6	59.5	97.0	36.2	91.1	35.3	25.0	6.1
S.....	37.8	30.4	83.9	59.2	96.9	36.8	91.2	36.2	25.0	6.0
O.....	38.9	31.0	84.6	58.5	97.1	37.2	90.8	36.5	24.3	6.1
N.....	39.8	31.5	83.6	58.1	97.0	38.1	91.2	36.4	24.5	6.2
D.....	38.7	31.1	83.7	57.2	97.0	37.2	90.6	36.6	24.9	6.2
1969 J.....	39.0	30.4	84.2	57.6	97.4	38.0	91.1	37.4	24.3	5.6
F.....	38.1	30.4	85.1	58.8	97.1	38.4	91.1	37.0	24.1	6.0
M.....	39.2	31.2	85.1	58.4	96.7	37.8	91.5	35.8	24.0	6.1
A.....	39.4	31.9	84.8	60.0	97.1	39.7	91.6	35.9	24.7	5.7

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 30
UNEMPLOYMENT RATES BY SEX AND AGE GROUPS
1954 to 1969

Years and Months	14-19		20-24		25-44		45-64	
	Male	Female	Male	Female	Male	Female	Male	Female
(Per cent)								
1954	10.0	5.4	7.6	2.7	4.4	2.0	4.3	1.3
1955	10.1	5.0	7.2	2.4	4.1	1.9	4.2	2.0
1956	8.1	3.8	5.7	1.9	3.2	1.6	3.3	1.1
1957	11.2	4.6	8.2	2.7	4.5	1.7	4.2	1.6
1958	16.6	7.4	12.7	4.1	6.9	2.6	6.7	2.4
1959	14.3	6.7	10.5	3.7	5.8	2.2	5.8	1.6
1960	16.4	8.6	12.2	3.9	6.9	2.5	6.9	1.8
1961	16.4	8.6	11.8	4.2	7.3	2.6	7.3	2.3
1962	14.4	7.9	10.0	3.7	5.6	2.4	6.1	1.9
1963	14.0	7.7	9.6	4.1	5.1	2.2	5.4	2.2
1964	12.3	7.6	7.9	3.3	4.1	2.0	4.5	2.1
1965	10.2	6.9	5.7	3.1	3.4	1.9	3.9	1.6
1966	9.7	6.4	5.3	2.5	2.9	1.9	3.7	1.5
1967	10.9	7.3	6.1	3.2	3.5	2.0	3.8	1.7
1968	12.7	8.3	7.7	4.2	4.2	2.3	4.3	2.0
(Seasonally adjusted)								
1968 J.	11.5	7.6	7.0	4.4	3.9	2.0	4.3	1.2
F.	12.3	7.4	7.7	4.1	4.0	2.2	4.4	1.5
M.	13.0	6.9	7.4	4.3	4.3	2.0	4.2	1.9
A.	12.8	8.0	7.4	4.3	4.1	2.4	4.3	1.7
M.	13.3	7.4	8.1	4.4	4.4	2.6	4.0	1.4
J.	13.1	10.7	8.2	4.2	4.8	2.6	4.3	1.8
J.	14.4	9.1	8.3	4.1	4.4	2.5	4.3	2.0
A.	12.0	9.2	7.4	4.3	4.4	2.4	4.6	2.3
S.	12.1	8.2	7.2	4.3	4.2	2.1	4.5	2.9
O.	12.5	8.8	8.3	3.7	4.3	2.3	4.3	2.0
N.	12.4	8.4	8.0	3.7	4.5	1.6	4.4	2.5
D.	12.1	7.4	7.8	4.2	4.3	2.1	4.3	2.3
1969 J.	11.3	8.1	7.4	3.9	3.3	2.5	3.6	3.1
F.	11.8	8.4	7.2	4.0	3.6	2.7	3.6	1.7
M.	12.0	9.0	6.7	3.0	3.4	2.2	3.4	1.9
A.	13.0	9.6	7.4	2.9	3.6	2.4	4.1	2.2

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 31
LABOUR FORCE, CANADA AND BY REGION
1954 to 1969

Years and Months	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Colum- bia	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Colum- bia
	(Thousands of persons)						(Per cent change from same period a year ago)					
1954.....	5,493	501	1,562	2,022	949	461	1.8	-1.0	1.6	3.8	-0.7	2.7
1955.....	5,610	511	1,591	2,059	969	480	2.1	2.0	1.9	1.8	2.1	4.1
1956.....	5,782	520	1,615	2,147	998	503	3.1	1.8	1.5	4.3	3.0	4.8
1957.....	6,008	537	1,678	2,238	1,019	536	3.9	3.3	3.9	4.2	2.1	6.6
1958.....	6,137	535	1,735	2,264	1,055	548	2.1	-0.4	3.4	1.2	3.5	2.2
1959.....	6,242	541	1,758	2,301	1,084	556	1.7	1.1	1.3	1.6	2.7	1.5
1960.....	6,411	550	1,803	2,377	1,115	565	2.7	1.7	2.6	3.3	2.9	1.6
1961.....	6,521	571	1,820	2,401	1,154	575	1.7	3.8	0.9	1.0	3.5	1.8
1962.....	6,615	578	1,852	2,422	1,175	590	1.4	1.2	1.8	0.9	1.8	2.6
1963.....	6,748	577	1,904	2,476	1,181	610	2.0	-0.2	2.8	2.2	0.5	3.4
1964.....	6,933	588	1,951	2,556	1,199	639	2.7	1.9	2.5	3.2	1.5	4.8
1965.....	7,141	611	2,022	2,614	1,228	666	3.0	3.9	3.6	2.3	2.4	4.2
1966.....	7,420	626	2,116	2,719	1,248	710	3.9	2.5	4.6	4.0	1.6	6.6
1967.....	7,694	635	2,196	2,834	1,268	762	3.7	1.4	3.8	4.2	1.6	7.3
1968.....	7,919	643	2,227	2,934	1,318	797	2.9	1.3	1.4	3.5	3.9	4.6
	(Seasonally adjusted)											
1968 J.....	7,759	642	2,178	2,861	1,292	780	2.4	2.6	0.6	3.0	2.1	5.4
F.....	7,783	642	2,177	2,889	1,293	786	2.6	2.4	0.5	3.8	1.7	5.8
M.....	7,771	635	2,185	2,875	1,299	785	1.3	0.6	0.1	1.9	1.1	4.1
A.....	7,843	640	2,215	2,888	1,318	787	2.8	2.1	1.8	2.1	5.6	4.7
M.....	7,868	646	2,213	2,918	1,307	787	2.1	2.5	0.0	2.9	3.0	3.8
J.....	8,020	652	2,263	2,958	1,320	805	4.0	2.8	2.8	4.2	4.1	6.9
A.....	7,946	649	2,237	2,940	1,318	799	2.6	2.0	0.5	2.9	4.1	5.5
S.....	7,943	650	2,250	2,939	1,323	801	2.6	2.5	0.6	2.7	4.5	5.3
N.....	7,988	648	2,255	2,959	1,325	800	3.4	2.4	2.1	3.8	4.7	3.9
N.....	8,023	644	2,250	2,995	1,336	802	4.1	0.3	3.0	5.1	7.0	2.3
N.....	8,064	643	2,254	3,012	1,355	812	4.1	1.1	2.6	5.6	6.3	3.4
D.....	8,035	639	2,251	2,977	1,349	826	3.1	-0.8	2.8	3.6	4.7	5.1
1969 J.....	8,099	656	2,281	3,010	1,355	811	4.4	2.2	3.8	5.2	4.9	4.0
F.....	8,128	655	2,256	3,037	1,365	813	4.4	2.0	3.6	5.1	5.6	3.4
M.....	8,108	651	2,275	3,019	1,355	813	4.3	2.5	4.1	5.0	4.3	3.6
A.....	8,207	665	2,302	3,038	1,364	835	4.6	3.9	3.9	5.2	3.5	6.1

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 32
EMPLOYMENT, CANADA AND BY REGION
1954 to 1969

Years and Months	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Colum- bia	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Colum- bia
	(Thousands of persons)						(Per cent change from same period a year ago)					
1954	5,243	468	1,470	1,945	925	437	0.2	-2.1	-0.7	2.0	-1.4	1.2
1955	5,364	478	1,493	1,993	939	462	2.3	2.1	1.6	2.5	1.5	5.7
1956	5,585	489	1,535	2,096	976	489	4.1	2.3	2.8	5.2	3.9	5.8
1957	5,731	492	1,576	2,161	992	509	2.6	0.6	2.7	3.1	1.6	4.1
1958	5,706	469	1,582	2,142	1,013	501	-0.4	-4.7	0.4	-0.9	2.1	-1.6
1959	5,870	482	1,620	2,198	1,049	521	2.9	2.8	2.4	2.6	3.6	4.0
1960	5,965	492	1,639	2,249	1,069	516	1.6	2.1	1.2	2.3	1.9	-1.0
1961	6,055	507	1,652	2,269	1,100	527	1.5	3.0	0.8	0.9	2.9	2.1
1962	6,225	516	1,713	2,317	1,129	551	2.8	1.8	3.7	2.1	2.6	4.6
1962	6,375	522	1,762	2,382	1,138	571	2.4	1.2	2.9	2.8	0.8	3.6
1964	6,609	542	1,827	2,473	1,162	605	3.7	3.8	3.7	3.8	2.1	6.0
1965	6,862	566	1,912	2,548	1,196	639	3.8	4.4	4.7	3.0	2.9	5.6
1966	7,152	586	2,016	2,651	1,222	678	4.2	3.5	5.4	4.0	2.2	6.1
1967	7,379	593	2,080	2,745	1,238	723	3.2	1.2	3.2	3.5	1.3	6.6
1968	7,537	596	2,082	2,830	1,280	750	2.1	0.5	0.1	3.1	3.4	3.7
(Seasonally adjusted)												
1968 J.	7,415	597	2,048	2,772	1,258	737	1.7	1.9	-0.6	2.6	1.5	4.7
F.	7,433	599	2,043	2,789	1,260	739	1.8	2.0	-0.5	3.1	1.2	4.5
M.	7,404	593	2,046	2,769	1,262	739	0.5	0.7	-1.2	1.2	0.2	3.1
A.	7,480	595	2,069	2,792	1,285	740	2.1	1.7	0.1	2.0	5.2	3.6
M.	7,484	600	2,081	2,797	1,267	736	1.3	2.9	-0.5	1.7	2.2	2.2
J.	7,583	598	2,102	2,842	1,270	754	2.6	1.4	0.8	3.4	2.6	5.3
J.	7,533	597	2,092	2,823	1,268	749	1.4	0.3	-0.7	2.1	2.4	4.2
A.	7,548	596	2,099	2,838	1,275	750	1.5	0.3	-1.5	2.7	3.1	3.7
S.	7,606	600	2,112	2,857	1,283	751	2.7	1.2	1.2	3.5	4.0	2.5
O.	7,622	592	2,097	2,887	1,296	754	3.7	-1.5	2.1	5.2	6.4	2.2
N.	7,667	592	2,095	2,909	1,318	764	3.5	-2.0	0.9	5.6	6.2	3.1
D.	7,651	592	2,090	2,879	1,311	784	3.0	-1.3	1.3	3.9	4.8	6.1
1969 J.	7,753	614	2,114	2,928	1,320	773	4.6	2.8	3.2	5.6	4.9	4.9
F.	7,779	613	2,117	2,947	1,329	770	4.7	2.3	3.6	5.7	5.5	4.2
M.	7,771	607	2,136	2,940	1,320	773	5.0	2.4	4.4	6.2	4.6	4.6
A.	7,842	617	2,150	2,948	1,329	798	4.8	3.7	3.9	5.6	3.4	7.8

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 33
UNEMPLOYMENT, CANADA AND BY REGION
1954 to 1969

Years and Months	Unemployed						Unemployment Rate					
	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Colum- bia	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Colum- bia
	(Thousands of persons)						(Per cent)					
1954	250	33	92	77	24	24	4.6	6.6	5.9	3.8	2.5	5.2
1955	245	33	98	66	30	18	4.4	6.5	6.2	3.2	3.1	3.8
1956	197	31	80	51	22	14	3.4	6.0	5.0	2.4	2.2	2.8
1957	278	45	101	77	27	27	4.6	8.4	6.0	3.4	2.6	5.0
1958	432	67	153	122	43	47	7.0	12.5	8.8	5.4	4.1	8.0
1959	372	59	138	103	35	36	6.0	10.9	7.8	4.5	3.2	6.5
1960	446	59	164	128	47	48	7.0	10.7	9.1	5.4	4.2	8.5
1961	466	64	168	132	53	49	7.1	11.2	9.2	5.5	4.6	8.5
1962	390	62	139	105	46	39	5.9	10.7	7.5	4.3	3.9	6.6
1963	374	55	142	94	44	39	5.5	9.5	7.5	3.8	3.7	6.4
1964	324	46	124	83	37	34	4.7	7.8	6.4	3.2	3.1	5.3
1965	280	45	109	66	31	28	3.9	7.4	5.4	2.5	2.5	4.2
1966	267	40	100	69	26	32	3.6	6.4	4.7	2.5	2.1	4.5
1967	315	42	116	89	29	39	4.1	6.6	5.3	3.1	2.3	5.1
1968	382	47	145	104	39	47	4.8	7.3	6.5	3.5	3.0	5.9
	(Seasonally adjusted)											
1968 J.	344	45	130	89	34	43	4.4	7.0	6.0	3.1	2.6	5.5
F.	355	43	134	100	33	47	4.6	6.7	6.2	3.5	2.6	6.0
M.	367	42	139	106	37	46	4.7	6.6	6.4	3.7	2.8	5.9
A.	368	45	146	96	33	47	4.7	7.0	6.6	3.3	2.5	6.0
M.	384	46	132	121	40	51	4.9	7.1	6.0	4.1	3.1	6.5
J.	437	54	161	116	50	51	5.4	8.3	7.1	3.9	3.8	6.3
J.	413	52	145	117	50	50	5.2	8.0	6.5	4.0	3.8	6.3
A.	400	54	151	101	48	51	5.0	8.3	6.7	3.4	3.6	6.4
S.	382	48	143	102	42	49	4.8	7.4	6.3	3.4	3.2	6.1
O.	401	52	153	108	40	48	5.0	8.1	6.8	3.6	3.0	6.0
N.	397	51	159	103	37	48	4.9	7.9	7.1	3.4	2.7	5.9
D.	384	47	161	98	38	42	4.8	7.4	7.2	3.3	2.8	5.1
1969 J.	346	42	147	82	35	38	4.3	6.4	6.5	2.7	2.6	4.7
F.	349	42	139	90	36	43	4.3	6.4	6.2	3.0	2.6	5.3
M.	337	44	139	79	35	40	4.2	6.8	6.1	2.6	2.6	4.9
A.	365	48	152	90	35	37	4.4	7.2	6.6	3.0	2.6	4.4

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 34
PRODUCTIVITY AND COSTS
TOTAL ALL INDUSTRIES

1947 to 1968

(1961=100)

Years	Output	Persons Employed	Output Per Person Employed	Wages and Salaries	Average Earnings Per Person Employed	Corporation Profits	Corporation Profits Per Unit of Output	Wages and Salaries Per Unit of Output
1947.....	54.8	79.8	68.7	33.7	42.2	52.9	96.5	61.5
1948.....	56.7	80.5	70.4	39.0	48.4	57.3	101.1	68.8
1949.....	58.4	81.1	72.0	42.1	51.9	54.8	93.8	72.1
1950.....	62.4	82.2	75.9	45.4	55.2	73.6	117.9	72.8
1951.....	67.3	84.2	79.9	53.2	63.2	82.4	122.4	79.0
1952.....	72.5	85.4	84.9	59.0	69.1	78.7	108.6	81.4
1953.....	75.5	86.5	87.3	63.8	73.8	76.2	100.9	84.5
1954.....	74.3	86.6	85.8	65.4	75.5	66.8	89.9	88.0
1955.....	82.1	88.6	92.7	69.6	78.6	86.5	105.4	84.8
1956.....	89.1	92.2	96.6	78.4	85.0	97.6	109.5	88.0
1957.....	89.5	94.6	94.6	84.3	89.1	89.2	99.7	94.2
1958.....	91.0	94.2	96.6	87.0	92.4	89.7	98.6	95.6
1959.....	95.7	96.9	98.8	92.1	95.0	102.2	106.8	96.2
1960.....	98.0	98.5	99.5	96.0	97.5	97.4	99.4	98.0
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	106.9	102.8	104.0	106.5	103.6	111.4	104.2	99.6
1963.....	112.3	105.3	106.6	113.4	107.7	122.2	108.8	101.0
1964.....	119.5	109.1	109.5	123.4	113.1	140.6	117.7	103.3
1965.....	127.8	113.3	112.8	137.8	121.6	151.7	118.7	107.8
1966.....	135.5	118.1	114.7	156.1	132.2	150.1	110.8	115.2
1967.....	139.1	121.9	114.1	170.5	139.9	146.5	105.3	122.6
1968.....	145.4	124.5	116.8	185.5	149.0	171.5	118.0	127.6
(Per cent change from previous period)								
1948.....	3.5	0.9	2.5	15.7	14.7	8.3	4.8	11.9
1949.....	3.0	0.7	2.3	7.9	7.2	-4.4	-7.2	4.8
1950.....	6.8	1.4	5.4	7.8	6.4	34.3	25.7	1.0
1951.....	7.9	2.4	5.3	17.2	14.5	12.0	3.8	8.5
1952.....	7.7	1.4	6.3	10.9	9.3	-4.5	-11.3	3.0
1953.....	4.1	1.3	2.8	8.1	6.8	-3.2	-7.1	3.8
1954.....	-1.6	0.1	-1.7	2.5	2.3	-12.3	-10.9	4.1
1955.....	10.5	2.3	8.0	6.4	4.1	29.5	17.2	-3.6
1956.....	8.5	4.1	4.2	12.6	8.1	12.8	3.9	3.8
1957.....	0.4	2.6	-2.1	7.5	4.8	-8.6	-8.9	7.0
1958.....	1.7	-0.4	2.1	3.2	3.7	0.6	-1.1	1.5
1959.....	5.2	2.9	2.3	5.9	2.8	13.9	8.3	0.6
1960.....	2.4	1.7	0.7	4.2	2.6	-4.7	-6.9	1.9
1961.....	2.0	1.5	0.5	4.2	2.6	2.7	0.6	2.0
1962.....	6.9	2.8	4.0	6.5	3.6	11.4	4.2	-0.4
1963.....	5.1	2.4	2.5	6.5	4.0	9.7	4.4	1.4
1964.....	6.4	3.6	2.7	8.8	5.0	15.1	8.2	2.3
1965.....	6.9	3.8	3.0	11.7	7.5	7.9	0.8	4.4
1966.....	6.0	4.2	1.7	13.3	8.7	-1.1	-6.7	6.9
1967.....	2.7	3.2	-0.5	9.2	5.8	-2.4	-5.0	6.4
1968.....	4.5	2.1	2.4	8.8	6.5	17.1	12.1	4.1

SOURCE: DBS Indexes of Real Domestic Product by Industry (1961=100).

DBS The National Accounts.

DBS The Labour Force.

REFERENCE TABLE 35
 PRODUCTIVITY AND COSTS
 COMMERCIAL NON-AGRICULTURAL INDUSTRIES
 1947 to 1968
 (1961=100)

Years	Output	Persons Em- ployed	Total Man- Hours	Output Per Person Em- ployed	Output Per Man-Hour	Wages and Sal- aries ⁽¹⁾	Average Hourly Earnings	Cor- poration Profits ⁽¹⁾	Cor- poration Profits Per Unit of Output	Wages and Salaries Per Unit of Output
1947	52.1	75.9	82.3	68.7	63.3	35.4	43.0	53.0	101.7	67.9
1948	54.0	78.4	85.0	68.9	63.5	41.2	48.5	57.5	106.5	76.3
1949	56.1	80.2	86.0	70.0	65.2	44.2	51.4	55.0	98.0	78.8
1950	59.9	81.8	86.6	73.2	69.2	47.7	55.1	73.9	123.4	79.6
1951	64.0	86.4	90.7	74.1	70.6	56.1	61.9	82.7	129.2	87.7
1952	67.4	88.5	92.6	76.1	72.8	62.0	67.0	78.8	116.9	92.0
1953	71.5	89.9	93.5	79.5	76.4	67.0	71.7	76.2	106.6	93.7
1954	72.2	88.7	91.3	81.4	79.0	68.1	74.6	66.9	92.7	94.3
1955	79.3	91.5	93.7	86.7	84.6	72.3	77.2	86.7	109.3	91.2
1956	86.8	97.0	99.6	89.5	87.2	81.8	82.1	97.7	112.6	94.2
1957	88.6	99.8	101.8	88.7	87.0	87.7	86.1	89.2	100.7	99.0
1958	89.1	97.3	98.8	91.6	90.2	89.2	90.3	89.8	100.8	100.1
1959	94.7	99.7	101.3	95.0	93.5	94.1	92.9	102.1	107.8	99.4
1960	96.5	99.6	100.6	96.9	95.9	97.2	96.6	97.3	100.8	100.7
1961	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962	106.5	103.1	103.2	103.3	103.2	106.4	103.1	111.3	104.5	99.9
1963	112.0	105.6	105.0	106.0	106.6	112.9	107.5	121.9	108.8	100.8
1964	120.8	110.3	109.6	109.5	110.2	122.8	112.0	140.1	116.0	101.7
1965	129.6	116.5	115.2	111.2	112.5	137.8	119.6	150.9	116.4	106.3
1966	137.4	122.3	119.5	112.4	115.0	155.8	130.4	148.9	108.4	113.4
1967	141.7	124.2	121.2	114.0	116.9	168.9	139.4	145.0	102.3	119.2
1968 ⁽²⁾	147.9	126.1	122.1	117.3	121.1	182.2	149.2	170.7	115.4	123.2
(Per cent change from previous period)										
1948	3.6	3.3	3.3	0.3	0.3	16.4	12.8	8.5	4.7	12.4
1949	3.9	2.3	1.2	1.6	2.7	7.3	6.0	-4.3	-8.0	3.3
1950	6.8	2.0	0.7	4.6	6.1	7.9	7.2	34.4	25.9	1.0
1951	6.8	5.6	4.7	1.2	2.0	17.6	12.3	11.9	4.7	10.2
1952	5.3	2.4	2.1	2.7	3.1	10.5	8.2	-4.7	-9.5	4.9
1953	6.1	1.6	1.0	4.5	4.9	8.1	7.0	-3.3	-8.8	1.8
1954	1.0	-1.3	-2.4	2.4	3.4	1.6	4.0	-12.2	-13.0	0.6
1955	9.8	3.2	2.6	6.5	7.1	6.2	3.5	29.6	17.9	-3.3
1956	9.5	6.0	6.3	3.2	3.1	13.1	6.3	12.7	3.0	3.3
1957	2.1	2.9	2.2	-0.9	-0.2	7.2	4.9	-8.3	-10.6	5.1
1958	0.6	-2.5	-2.9	3.3	3.7	1.7	4.9	0.7	0.1	1.1
1959	6.3	2.5	2.5	3.7	3.7	5.5	2.9	13.7	6.9	-0.7
1960	1.9	-0.1	-0.7	2.0	2.6	3.3	4.0	-4.7	-6.5	1.3
1961	3.6	0.4	-0.6	3.2	4.3	2.9	3.5	2.8	-0.8	-0.7
1962	6.5	3.1	3.2	3.3	3.2	6.4	3.1	11.3	4.5	-0.1
1963	5.2	2.4	1.7	2.6	3.3	6.1	4.3	9.5	4.1	0.9
1964	7.9	4.5	4.4	3.3	3.4	8.8	4.2	14.9	6.6	0.9
1965	7.3	5.6	5.1	1.6	2.1	12.2	6.8	7.7	0.3	4.5
1966	6.0	5.0	3.7	1.1	2.2	13.1	9.0	-1.3	-6.9	6.7
1967	3.1	1.6	1.4	1.4	1.7	8.4	6.9	-2.6	-5.6	5.1
1968 ⁽²⁾	4.4	1.5	0.7	2.9	3.6	7.9	7.0	17.7	12.8	3.4

⁽¹⁾Estimated by the Department of Finance.

⁽²⁾Figures are based on preliminary productivity estimates (DBS *Daily Bulletin*, Friday, April 18, 1969) and updated by recently revised output indexes.

SOURCE: DBS Aggregate Productivity Trends.
 DBS The National Accounts.

REFERENCE TABLE 36
PRODUCTIVITY AND COSTS
NON-AGRICULTURAL GOODS-PRODUCING INDUSTRIES

1947 to 1968

(1961=100)

Years	Output	Persons Em- ployed	Total Man- Hours	Output Per Person Em- ployed	Output Per Man-Hour	Wages and Salaries ⁽¹⁾	Average Hourly Earnings	Cor- poration Profits ⁽¹⁾	Cor- poration Profits Per Unit of Output	Wages and Salaries Per Unit of Output
1947	48.5	85.9	92.3	56.5	52.5	38.7	41.9	58.4	120.4	79.8
1948	51.3	88.2	94.8	58.2	54.1	45.2	47.7	65.3	127.3	88.1
1949	53.3	89.9	96.3	59.3	55.9	47.4	49.7	62.6	117.4	88.9
1950	57.6	92.1	97.1	62.5	59.3	51.7	53.2	84.7	147.0	89.8
1951	62.4	98.7	103.5	63.3	60.3	61.7	59.6	94.3	151.1	98.9
1952	65.5	100.0	104.4	65.5	62.7	68.2	65.3	85.0	129.8	104.1
1953	70.6	100.8	105.5	70.0	66.9	73.6	69.8	83.5	118.3	104.2
1954	71.0	97.0	99.6	73.2	71.3	73.1	73.4	73.8	103.9	103.0
1955	78.8	100.4	102.7	78.5	76.7	77.4	75.4	94.2	119.7	98.2
1956	87.3	106.3	109.1	82.1	80.1	88.8	81.4	104.6	119.8	101.7
1957	89.2	107.3	109.1	83.1	81.8	93.9	86.1	95.2	106.7	105.3
1958	89.1	101.3	102.6	88.0	86.8	93.5	91.1	89.4	100.3	104.9
1959	94.8	103.3	105.2	91.7	90.1	97.2	92.4	103.3	109.0	102.5
1960	96.5	101.6	102.7	95.0	93.9	99.3	96.7	96.3	99.8	102.9
1961	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962	108.6	102.8	103.6	105.7	104.8	107.0	103.3	113.4	104.4	98.5
1963	114.6	104.7	105.1	109.4	109.0	112.6	107.1	125.5	109.5	98.3
1964	125.9	109.3	110.1	115.2	114.4	122.6	111.4	141.1	112.1	97.4
1965	137.3	115.4	116.1	119.0	118.3	138.8	119.6	149.7	109.0	101.1
1966	146.8	120.6	120.7	121.7	121.6	158.4	131.2	144.8	98.6	107.9
1967	149.3	120.0	119.8	124.4	124.6	168.4	140.6	141.0	94.4	112.8
1968 ⁽²⁾	157.1	120.2	119.7	130.7	131.2	178.5	149.1	170.2	108.3	113.6
(Per cent change from previous period)										
1948	5.8	2.7	2.7	3.0	3.0	16.8	13.8	11.8	5.7	10.4
1949	3.9	1.9	0.5	1.9	3.3	4.9	4.2	-4.1	-7.8	0.9
1950	8.1	2.4	1.9	5.4	6.1	9.1	7.0	35.3	25.2	1.0
1951	8.3	7.2	6.6	1.3	1.7	19.3	12.0	11.3	2.8	10.1
1952	5.0	1.3	0.9	3.5	4.0	10.5	9.6	-9.9	-14.1	5.3
1953	7.8	0.8	1.1	6.9	6.7	7.9	6.9	-1.8	-8.9	0.1
1954	0.6	-3.8	-5.6	4.6	6.6	-0.7	5.2	-11.6	-12.2	-1.2
1955	11.0	3.5	3.1	7.2	7.6	5.9	2.7	27.8	15.2	-4.7
1956	10.8	5.9	6.2	4.6	4.4	14.7	8.0	10.9	0.1	3.6
1957	2.2	0.9	0.0	1.2	2.1	5.7	5.8	-9.0	-10.9	3.5
1958	-0.1	-5.6	-6.0	5.9	6.1	-0.4	5.8	-6.1	-6.0	-0.4
1959	6.4	2.0	2.5	4.2	3.8	4.0	1.4	15.5	8.7	-2.3
1960	1.8	-1.6	-2.4	3.6	4.2	2.2	4.7	-6.8	-8.4	0.4
1961	3.6	-1.6	-2.6	5.3	6.5	0.7	3.4	3.8	0.2	-2.8
1962	8.6	2.8	3.6	5.7	4.8	7.0	3.3	13.4	4.4	-1.5
1963	5.5	1.8	1.4	3.5	4.0	5.2	3.7	10.7	4.9	-0.2
1964	9.9	4.4	4.8	5.3	4.9	8.9	4.0	12.4	2.4	-0.9
1965	9.1	5.6	5.4	3.3	3.4	13.2	7.4	6.1	-2.8	3.8
1966	6.9	4.5	4.0	2.3	2.8	14.1	9.7	-3.3	-9.5	6.7
1967	1.7	-0.5	-0.7	2.3	2.5	6.3	7.2	-2.6	-4.3	4.5
1968 ⁽²⁾	5.2	0.2	-0.1	5.1	5.3	6.0	6.0	20.7	14.7	0.7

⁽¹⁾Estimated by the Department of Finance.⁽²⁾See footnote ⁽²⁾ on reference table 35.SOURCE: DBS Aggregate Productivity Trends.
DBS The National Accounts.

REFERENCE TABLE 37
 PRODUCTIVITY AND COSTS
 COMMERCIAL SERVICE-PRODUCING INDUSTRIES
 1947 to 1968
 (1961=100)

Years	Output	Persons Em- ployed	Total Man- Hours	Output Per Person Em- ployed	Output Per Man-Hour	Wages and Sal- aries ⁽¹⁾	Average Hourly Earnings	Cor- poration Profits ⁽¹⁾	Cor- poration Profits Per Unit of Output	Wages and Salaries Per Unit of Output
1947.....	55.8	66.6	73.6	83.7	75.9	31.6	42.9	44.1	79.0	56.6
1948.....	56.9	69.4	76.5	82.0	74.3	36.6	47.8	44.6	78.4	64.3
1949.....	59.1	71.3	78.0	82.9	75.7	40.4	51.8	42.3	71.6	68.4
1950.....	62.2	72.4	77.6	85.9	80.2	43.2	55.7	55.8	89.7	69.5
1951.....	65.7	75.1	79.6	87.5	82.5	49.6	62.3	63.3	96.3	75.5
1952.....	69.4	78.0	82.4	89.0	84.3	54.8	66.5	68.4	98.6	79.0
1953.....	72.4	79.9	83.2	90.6	87.0	59.4	71.4	64.1	88.5	82.0
1954.....	73.3	81.0	84.1	90.5	87.1	62.3	74.1	55.2	75.3	85.0
1955.....	79.4	83.4	86.0	95.2	92.4	66.3	77.1	73.9	93.1	83.4
1956.....	85.6	88.6	91.5	96.6	93.6	73.7	80.5	86.1	100.6	86.1
1957.....	87.6	93.1	95.6	94.1	91.7	80.4	84.1	79.2	90.4	91.8
1958.....	88.7	93.5	95.3	94.9	93.0	84.2	88.4	90.5	102.0	94.9
1959.....	94.1	96.4	98.0	97.6	96.0	90.0	91.8	100.2	106.5	95.6
1960.....	96.3	97.7	98.7	98.5	97.6	94.6	95.8	99.0	102.8	98.2
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	104.5	103.4	102.9	101.1	101.6	105.6	102.6	107.8	103.2	101.1
1963.....	109.3	106.2	104.8	102.9	104.3	113.3	108.1	115.7	105.9	103.7
1964.....	115.6	110.9	109.0	104.2	106.0	123.1	112.9	138.3	119.6	106.5
1965.....	122.0	117.0	114.2	104.2	106.9	136.7	119.7	152.8	125.2	112.0
1966.....	128.0	122.9	117.8	104.2	108.7	152.8	129.7	155.6	121.6	119.4
1967.....	134.0	127.3	121.9	105.3	110.0	169.4	139.0	151.6	113.1	126.4
1968 ⁽²⁾	138.3	130.6	123.5	105.9	112.0	186.4	150.9	171.8	124.2	134.8
(Per cent change from previous period)										
1948.....	2.0	4.2	3.9	-2.0	-2.1	15.8	11.4	1.1	-0.8	13.6
1949.....	3.9	2.7	2.0	1.1	1.9	10.4	8.4	-5.2	-8.7	6.4
1950.....	5.2	1.5	-0.5	3.6	5.9	6.9	7.5	31.9	25.3	1.6
1951.....	5.6	3.7	2.6	1.9	2.9	14.8	11.8	13.4	7.4	8.6
1952.....	5.6	3.9	3.5	1.7	2.2	10.5	6.7	8.1	2.4	4.6
1953.....	4.3	2.4	1.0	1.8	3.2	8.4	7.4	-6.3	-10.2	3.8
1954.....	1.2	1.4	1.1	-0.1	0.1	4.9	3.8	-13.9	-14.9	3.7
1955.....	8.3	3.0	2.3	5.2	6.1	6.4	4.0	33.9	23.6	-1.9
1956.....	7.8	6.2	6.4	1.5	1.3	11.2	4.4	16.5	8.1	3.2
1957.....	2.3	5.1	4.5	-2.6	-2.0	9.1	4.5	-8.0	-10.1	6.6
1958.....	1.3	0.4	-0.3	0.9	1.4	4.7	5.1	14.3	12.8	3.4
1959.....	6.1	3.1	2.8	2.8	3.2	6.9	3.8	10.7	4.4	0.7
1960.....	2.3	1.3	0.7	0.9	1.7	5.1	4.4	-1.2	-3.5	2.7
1961.....	3.8	2.4	1.3	1.5	2.5	5.7	4.4	1.0	-2.7	1.8
1962.....	4.5	3.4	2.9	1.1	1.6	5.6	2.6	7.8	3.2	1.1
1963.....	4.6	2.7	1.8	1.8	2.7	7.3	5.4	7.3	2.6	2.6
1964.....	5.8	4.4	4.0	1.3	1.6	8.6	4.4	19.5	12.9	2.7
1965.....	5.5	5.5	4.8	0.0	0.8	11.0	6.0	10.5	4.7	5.2
1966.....	4.9	5.0	3.2	0.0	1.7	11.8	8.4	1.8	-2.9	6.6
1967.....	4.7	3.6	3.5	1.1	1.2	10.9	7.2	-2.6	-7.0	5.9
1968 ⁽²⁾	3.2	2.6	1.3	0.6	1.8	10.0	8.6	13.3	9.8	6.6

⁽¹⁾Estimated by the Department of Finance.

⁽²⁾See footnote (2) on reference table 35.

SOURCE: DBS Aggregate Productivity Trends.
 DBS The National Accounts.

REFERENCE TABLE 38
PRODUCTIVITY AND COSTS
MANUFACTURING INDUSTRIES

1947 to 1968

(1961=100)

Years	Output	Persons Em- ployed	Total Man- Hours	Output Per Person Em- ployed	Output Per Man-Hour	Wages and Salaries	Average Hourly Earnings	Cor- poration Profits	Cor- poration Profits Per Unit of Output	Wages and Salaries Per Unit of Output
1947.....	55.4	86.8	93.4	63.8	59.3	39.9	42.7	63.8	115.1	72.0
1948.....	57.8	88.8	95.9	65.1	60.2	46.1	48.1	69.7	120.6	79.8
1949.....	59.5	90.2	95.6	66.0	62.2	48.6	50.8	66.8	112.3	81.7
1950.....	63.4	91.7	96.3	69.1	65.8	52.1	54.1	90.0	142.0	82.2
1951.....	68.9	97.3	100.3	70.8	68.7	61.4	61.2	98.9	143.5	89.1
1952.....	71.5	99.9	101.9	71.6	70.2	68.2	66.9	90.9	127.1	95.4
1953.....	76.6	103.0	105.6	74.4	72.5	74.1	70.2	89.8	117.2	96.7
1954.....	74.9	98.6	99.2	76.0	75.5	73.3	73.9	76.3	101.9	97.9
1955.....	82.2	101.1	102.3	81.3	80.4	77.7	76.0	97.4	118.5	94.5
1956.....	89.9	105.3	107.3	85.4	83.8	86.1	80.2	105.9	117.8	95.8
1957.....	89.7	105.8	106.4	84.8	84.3	91.0	85.5	94.5	105.4	101.4
1958.....	88.0	100.5	101.2	87.5	87.0	90.9	89.8	90.1	102.4	103.3
1959.....	94.5	101.7	103.0	92.9	91.8	95.8	93.0	106.6	112.8	101.4
1960.....	96.1	100.5	101.0	95.7	95.2	98.9	97.9	97.5	101.5	102.9
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	110.5	102.7	103.1	107.6	107.1	107.3	104.1	116.8	105.7	97.1
1963.....	118.0	105.2	105.6	112.1	111.7	113.6	107.6	131.5	111.4	96.3
1964.....	129.2	110.0	111.0	117.4	116.4	123.5	111.3	143.0	110.7	95.6
1965.....	141.0	115.7	116.1	121.8	121.5	137.2	118.2	152.5	108.2	97.3
1966.....	151.2	121.2	120.7	124.8	125.2	153.9	127.5	148.0	97.9	101.8
1967.....	151.7	121.3	121.1	125.1	125.3	163.3	134.8	142.4	93.9	107.6
1968 ⁽¹⁾	159.4	121.8	121.6	130.9	131.1	174.4	143.4	177.4	111.3	109.4
(Per cent change from previous period)										
1948.....	4.3	2.3	2.7	2.0	1.5	15.5	12.6	9.2	4.7	10.8
1949.....	2.9	1.6	-0.3	1.4	3.3	5.4	5.6	-4.2	-6.9	2.4
1950.....	6.6	1.7	0.7	4.7	5.8	7.2	6.5	34.7	26.4	0.6
1951.....	8.7	6.1	4.2	2.5	4.4	17.9	13.1	9.9	1.1	8.4
1952.....	3.8	2.7	1.6	1.1	2.2	11.1	9.3	-8.1	-11.4	7.1
1953.....	7.1	3.1	3.6	3.9	3.3	8.7	4.9	-1.2	-7.8	1.4
1954.....	-2.2	-4.3	-6.1	2.2	4.1	-1.1	5.3	-15.0	-13.1	1.2
1955.....	9.7	2.5	3.1	7.0	6.5	6.0	2.8	27.7	16.3	-3.5
1956.....	9.4	4.2	4.9	5.0	4.2	10.8	5.5	8.7	-0.6	1.4
1957.....	-0.2	0.5	-0.8	-0.7	0.6	5.7	6.6	-10.8	-10.5	5.8
1958.....	-1.9	-5.0	-4.9	3.2	3.2	-0.1	5.0	-4.7	-2.8	1.9
1959.....	7.4	1.2	1.8	6.2	5.5	5.4	3.6	18.3	10.2	-1.8
1960.....	1.7	-1.2	-1.9	3.0	3.7	3.2	5.3	-8.5	-10.0	1.5
1961.....	4.1	-0.5	-1.0	4.5	5.0	1.1	2.1	2.6	-1.5	-2.8
1962.....	10.5	2.7	3.1	7.6	7.1	7.3	4.1	16.8	5.7	-2.9
1963.....	6.8	2.4	2.4	4.2	4.3	5.9	3.4	12.6	5.4	-0.8
1964.....	9.5	4.6	5.1	4.7	4.2	8.7	3.4	8.7	-0.6	-0.7
1965.....	9.1	5.2	4.6	3.7	4.4	11.1	6.2	6.6	-2.3	1.8
1966.....	7.2	4.8	4.0	2.5	3.0	12.2	7.9	-3.0	-9.5	4.6
1967.....	0.3	0.1	0.3	0.2	0.1	6.1	5.7	-3.8	-4.1	5.7
1968 ⁽¹⁾	5.1	0.4	0.4	4.6	4.6	6.8	6.4	24.6	18.5	1.7

⁽¹⁾See footnote (2) on reference table 35.

SOURCES: DBS Aggregate Productivity Trends.
DBS The National Accounts.

REFERENCE TABLE 39
GROSS NATIONAL EXPENDITURE IMPLICIT PRICE INDEXES⁽¹⁾

1947 to 1968
(1957=100)

Years and Quarters	Personal Expenditure on Consumer Goods and Services				Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation				Exports of Goods and Services	Imports of Goods and Services	Gross National Expenditure
	Total	Non-Durables	Durables	Services		Total	New Residential Construction	New Non-Residential Construction	New Machinery and Equipment			
1947.....	68.3	72.5	74.7	60.4	55.8	58.3	57.4	58.1	59.2	74.1	72.9	64.4
1948.....	77.3	84.5	85.5	64.0	63.3	66.2	67.6	65.4	66.4	81.4	81.5	72.6
1949.....	80.1	87.1	87.3	67.5	67.0	69.7	70.8	68.1	70.7	84.3	84.1	75.6
1950.....	82.7	88.9	88.4	71.8	70.0	73.7	75.1	71.9	74.7	88.2	90.2	77.9
1951.....	91.2	99.3	100.3	76.5	78.1	83.6	87.2	80.5	84.5	98.0	100.8	86.3
1952.....	93.7	99.8	101.8	81.9	81.5	86.5	89.7	86.4	85.4	96.9	93.0	90.5
1953.....	93.6	97.2	100.6	85.9	81.4	88.8	91.2	89.7	87.1	94.7	93.3	90.9
1954.....	94.9	96.9	99.7	90.2	87.5	89.5	91.9	89.5	88.3	94.0	93.5	93.1
1955.....	95.0	96.4	94.8	93.0	90.1	91.7	93.9	92.2	90.0	97.8	94.4	93.5
1956.....	96.7	97.4	96.1	95.9	95.1	96.6	97.4	97.1	95.6	100.5	97.4	97.1
1957.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1958.....	102.6	102.3	101.5	103.6	101.1	102.2	102.4	101.6	102.8	99.6	101.5	101.9
1959.....	104.1	102.5	103.3	106.4	104.6	105.1	106.2	104.7	104.7	101.1	100.9	104.5
1960.....	105.1	103.1	103.2	108.4	108.0	107.4	109.1	107.2	106.7	101.8	101.9	106.1
1961.....	105.9	103.9	101.1	110.1	110.3	108.3	109.8	107.6	108.3	103.4	105.0	106.8
1962.....	107.3	105.1	100.9	112.3	113.3	111.3	113.0	110.0	111.6	106.6	109.3	108.4
1963.....	108.8	106.9	101.2	113.9	117.9	114.7	116.8	113.7	114.5	107.9	112.5	110.3
1964.....	110.5	108.7	100.2	116.5	121.7	119.7	123.2	118.7	118.8	110.1	113.9	113.2
1965.....	112.7	110.9	99.9	119.8	127.8	124.9	129.3	125.9	122.0	111.6	114.4	116.6
1966.....	116.5	115.5	99.8	124.3	135.8	129.7	137.1	132.7	124.5	115.3	116.8	122.0
1967.....	120.4	117.7	102.5	130.8	142.3	132.3	145.6	139.2	122.4	117.4	118.1	126.4
1968.....	125.0	122.1	103.9	137.1	151.6	136.2	155.3	145.2	121.5	118.6	120.8	130.9
(Seasonally adjusted at annual rates)												
1966 I.....	115.1	114.2	99.1	122.5	134.1	127.4	133.8	129.9	122.8	113.7	115.7	119.9
II.....	116.5	115.3	100.1	123.7	134.3	129.2	135.7	131.7	124.3	114.5	116.3	121.3
III.....	116.8	115.8	99.5	124.7	136.8	130.4	138.6	133.5	125.3	116.7	117.1	122.9
IV.....	117.8	116.4	100.7	126.1	137.9	131.6	141.2	135.4	125.5	116.4	117.9	123.8
1967 I.....	118.4	116.3	100.9	127.5	141.9	132.6	141.8	137.1	126.4	116.9	117.7	125.2
II.....	119.7	117.1	102.1	130.2	140.6	131.7	144.4	139.1	122.3	117.3	118.0	125.8
III.....	121.3	118.5	102.9	132.4	143.4	131.6	146.3	139.9	120.2	117.7	117.9	127.1
IV.....	122.1	118.9	104.0	133.2	143.5	133.1	149.2	140.9	120.2	117.7	118.8	127.7
1968 I.....	123.5	120.8	103.9	134.5	149.5	133.7	151.7	142.6	120.7	118.4	120.1	129.5
II.....	124.5	121.8	104.1	135.8	149.3	136.0	154.3	144.8	121.1	118.7	120.6	130.2
III.....	125.3	122.3	103.6	137.8	153.4	136.9	156.5	145.8	122.1	118.7	120.8	131.5
IV.....	126.6	123.3	104.0	140.0	154.0	138.3	158.2	147.4	122.2	118.8	121.7	132.5

⁽¹⁾These implicit indexes are currently weighted price indexes. They reflect not only pure price changes, but also changing expenditure patterns within and between major groups. The implicit price index for Gross National Expenditure is derived by dividing the total of current dollars by the total of constant dollars.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 40

CHANGES IN GROSS NATIONAL EXPENDITURE IMPLICIT PRICE INDEXES⁽¹⁾
1947 to 1968

Years and Quarters	Personal Expenditure on Consumer Goods and Services				Government Expenditure on Goods and Services	Business Gross Fixed Capital Formation				Exports of Goods and Services	Imports of Goods and Services	Gross National Expenditure
	Total	Non-Durables	Durables	Services		Total	New Residential Construction	New Non-Residential Construction	New Machinery and Equipment			
	(Per cent change from previous period)											
1947.....	9.6	n.a.	n.a.	n.a.	6.4	11.0	12.7	11.5	11.3	12.7	12.0	9.7
1948.....	13.2	16.6	14.5	6.0	13.4	13.6	17.8	12.6	12.2	9.9	11.8	12.7
1949.....	3.6	3.1	2.1	5.5	5.8	5.3	4.7	4.1	6.5	3.6	3.2	4.1
1950.....	3.2	2.1	1.3	6.4	4.5	5.7	6.1	5.6	5.7	4.6	7.3	3.0
1951.....	10.3	11.7	13.5	6.5	11.6	13.4	16.1	12.0	13.1	11.1	11.8	10.8
1952.....	2.7	0.5	1.5	7.1	4.4	3.5	2.9	7.3	1.1	-1.1	-7.7	4.9
1953.....	-0.1	-2.6	-1.2	4.9	3.6	2.7	1.7	3.8	2.0	-2.3	0.3	0.4
1954.....	1.4	-0.3	-0.9	5.0	3.7	0.8	0.8	-0.2	1.4	-0.7	0.2	2.4
1955.....	0.1	-0.5	-4.9	3.1	3.0	2.5	2.2	3.0	1.9	4.0	1.0	0.4
1956.....	1.8	1.0	1.4	3.1	5.5	5.3	3.7	5.3	6.2	2.8	3.2	3.9
1957.....	3.4	2.7	4.1	4.3	5.2	3.5	2.7	3.0	4.6	-0.5	2.7	3.0
1958.....	2.6	2.3	1.5	3.6	1.1	2.2	2.4	1.6	2.8	-0.4	1.5	1.9
1959.....	1.5	0.2	1.8	2.7	3.5	2.8	3.7	3.1	1.8	1.5	-0.6	2.6
1960.....	1.0	0.6	-0.1	1.9	3.3	2.2	2.7	2.4	1.9	0.7	1.0	1.5
1961.....	0.8	0.8	-2.0	1.6	2.1	0.8	0.6	0.4	1.5	1.6	3.0	0.7
1962.....	1.3	1.2	-0.2	2.0	2.7	2.8	2.9	2.2	3.0	3.1	4.1	1.5
1963.....	1.4	1.7	0.3	1.4	4.1	3.1	3.4	3.4	2.6	1.2	2.9	1.8
1964.....	1.6	1.7	-1.0	2.3	3.2	4.4	5.5	4.4	3.8	2.0	1.2	2.6
1965.....	2.0	2.0	-0.3	2.8	5.0	4.3	5.0	6.1	2.7	1.4	0.4	3.0
1966.....	3.4	4.1	-0.1	3.8	6.3	3.8	6.0	5.4	2.0	3.3	2.1	4.6
1967.....	3.3	1.9	2.7	5.2	4.8	2.0	6.2	4.9	-1.7	1.8	1.1	3.6
1968.....	3.8	3.7	1.4	4.8	6.5	2.9	6.7	4.3	-0.7	1.0	2.3	3.6
	(Seasonally adjusted)											
1966 I.....	1.2	1.8	-0.6	1.2	2.6	1.0	1.7	1.3	0.6	0.9	0.3	1.5
II.....	1.2	1.0	1.0	1.0	0.1	1.4	1.4	1.4	1.2	0.7	0.5	1.2
III.....	0.3	0.4	-0.6	0.8	1.9	0.9	2.1	1.4	0.8	1.9	0.7	1.3
IV.....	0.9	0.5	1.2	1.1	0.8	0.9	1.9	1.4	0.2	-0.3	0.7	0.7
1967 I.....	0.5	-0.1	0.2	1.1	2.9	0.8	0.4	1.3	0.7	0.4	-0.2	1.1
II.....	1.1	0.7	1.2	2.1	-0.9	-0.7	1.8	1.5	-3.2	0.3	0.3	0.5
III.....	1.3	1.2	0.8	1.7	2.0	-0.1	1.3	0.6	-1.7	0.3	-0.1	1.0
IV.....	0.7	0.3	1.1	0.6	0.1	1.1	2.0	0.7	—	—	0.8	0.5
1968 I.....	1.1	1.6	-0.1	1.0	4.2	0.5	1.7	1.2	0.4	0.6	1.1	1.4
II.....	0.8	0.8	0.2	1.0	-0.1	1.7	1.7	1.5	0.3	0.3	0.4	0.5
III.....	0.6	0.4	-0.5	1.5	2.7	0.7	1.4	0.7	0.8	—	0.2	1.0
IV.....	1.0	0.8	0.4	1.6	0.4	1.0	1.1	1.1	0.1	0.1	0.7	0.8

⁽¹⁾See footnote (1) reference table 39.

Source: DBS *The National Accounts*.

REFERENCE TABLE 41
 CONSUMER PRICE INDEXES: STANDARD CLASSIFICATIONS
 1947 to 1969
 (1961=100)

Years and Months	All Items	Food	Housing	Clothing	Transportation	Health and Personal Care	Recreation and Reading	Tobacco and Alcohol
(Weights).....	(100.0)	(26.7)	(32.2)	(11.3)	(12.0)	(6.6)	(4.7)	(6.5)
1947.....	65.6	64.1	n.a.	70.1	n.a.	n.a.	n.a.	n.a.
1948.....	75.1	78.6	n.a.	85.0	n.a.	n.a.	n.a.	n.a.
1949.....	77.4	80.6	75.1	88.9	71.1	64.4	68.4	86.0
1950.....	79.6	82.7	78.2	88.6	75.0	65.6	69.8	88.3
1951.....	88.0	94.4	85.4	97.6	80.4	71.5	75.1	95.9
1952.....	90.2	94.2	88.6	99.4	83.5	75.9	79.2	97.4
1953.....	89.4	90.8	90.1	97.9	84.8	77.3	79.9	92.9
1954.....	89.9	90.5	91.3	97.2	85.3	80.2	81.8	92.3
1955.....	90.1	90.4	91.9	96.0	84.3	81.6	83.9	92.3
1956.....	91.4	91.5	93.2	96.5	87.7	83.7	85.8	92.6
1957.....	94.3	95.6	95.1	96.4	92.4	89.0	88.8	94.1
1958.....	96.8	98.5	96.8	97.5	95.2	93.6	94.7	95.1
1959.....	97.9	97.7	98.6	97.7	98.4	96.7	97.0	98.0
1960.....	99.1	98.5	99.6	98.6	99.8	99.5	98.8	99.6
1961 ^(a)	100.0	100.0 ^(a)	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	101.2	101.8	101.2	100.9	99.9	102.0	100.8	101.3
1963.....	103.0	105.1	102.3	103.4	99.9	104.6	102.2	101.5
1964.....	104.8	106.8	103.9	106.0	101.0	108.0	103.9	103.4
1965.....	107.4	109.6	105.8	107.9	104.8	113.0	105.6	105.1
1966.....	111.4	116.6	108.7	112.0	107.3	116.5	108.6	107.6
1967.....	115.4	118.1	113.4	117.6	111.8	122.5	114.1	110.4
1968.....	120.1	122.0	118.6	121.1	114.7	127.4	119.7	120.4
(Not seasonally adjusted)								
1968 J.....	118.1	121.3	116.1	118.6	113.8	124.7	116.5	117.2
F.....	118.2	120.8	116.7	119.1	113.2	125.1	117.6	117.3
M.....	118.6	119.9	117.1	120.5	114.0	125.1	118.1	119.0
A.....	119.3	120.8	117.6	121.2	114.4	126.9	117.8	121.2
M.....	119.3	120.1	117.9	120.7	114.5	127.4	119.2	121.3
J.....	119.7	120.5	118.3	121.2	115.1	127.4	119.2	121.3
J.....	120.4	122.5	118.8	121.0	115.1	128.0	119.6	121.3
A.....	120.7	123.9	118.9	120.6	115.1	128.2	119.9	121.3
S.....	121.1	123.4	119.8	121.2	115.4	128.5	121.0	121.3
O.....	121.4	122.9	120.3	122.8	114.9	129.0	121.4	121.3
N.....	121.9	123.4	120.9	123.4	115.7	129.4	123.3	121.3
D.....	122.3	124.5	121.0	123.4	115.7	129.4	123.3	121.3
1969 J.....	122.6	125.1	121.9	121.5	116.3	129.5	124.2	121.3
F.....	122.6	123.9	122.3	121.8	117.3	129.6	124.7	121.9
M.....	123.2	123.8	122.8	123.8	118.3	129.5	125.1	121.9
A.....	124.6	125.0	123.7	124.3	119.9	133.7	125.4	125.5

^(a)1957 weights replace 1947-48 weights beginning January 1961.

^(b)The system of variable weights for seasonal foods was revised beginning January 1961.

SOURCE: DBS Prices and Price Indexes, Monthly, Cat. 62-002.

DBS The Consumer Price Index (1949=100): Revision Based on 1957 Expenditures, Occasional, Cat. 62-518.

REFERENCE TABLE 42
 CHANGES IN THE CONSUMER PRICE INDEXES: STANDARD CLASSIFICATIONS
 1947 to 1969
 (1961=100)

Years and Months	All Items	Food	Housing	Clothing	Transportation	Health and Personal Care	Recreation and Reading	Tobacco and Alcohol
(Per cent change from same period a year ago)								
1947.....	9.4	13.6	n.a.	14.0	n.a.	n.a.	n.a.	n.a.
1948.....	2.3	22.6	n.a.	21.3	n.a.	n.a.	n.a.	n.a.
1949.....	3.1	2.5	n.a.	4.6	n.a.	n.a.	n.a.	n.a.
1950.....	2.8	2.6	4.1	-0.3	5.5	1.9	2.0	2.7
1951.....	10.6	14.1	9.2	10.2	7.2	9.0	7.6	8.6
1952.....	2.5	-0.2	3.7	1.8	3.9	6.2	5.5	1.6
1953.....	-0.9	-3.6	1.7	-1.5	1.6	1.8	0.9	-4.6
1954.....	0.6	-0.3	1.3	-0.7	0.6	3.8	2.4	-0.6
1955.....	0.2	-0.1	0.7	-1.2	-1.2	1.7	2.6	0.0
1956.....	1.4	1.2	1.4	0.5	4.0	2.6	2.3	0.3
1957.....	3.2	4.5	2.0	-0.1	5.4	6.3	3.5	1.6
1958.....	2.7	3.0	1.8	1.1	3.0	5.2	6.6	1.1
1959.....	1.1	-0.8	1.9	0.2	3.4	3.3	2.4	3.0
1960.....	1.2	0.8	1.0	0.9	1.4	2.9	1.9	1.6
1961 ⁽¹⁾	0.9	1.5 ⁽²⁾	0.4	1.4	0.2	0.5	1.2	0.4
1962.....	1.2	1.8	1.2	0.9	-0.1	2.0	0.8	1.3
1963.....	1.8	3.2	1.1	2.5	0.0	2.5	1.4	0.2
1964.....	1.7	1.6	1.6	2.5	1.1	3.3	1.7	1.9
1965.....	2.5	2.6	1.8	1.8	3.8	4.6	1.6	1.6
1966.....	3.7	6.4	2.7	3.8	2.4	3.1	2.8	2.4
1967.....	3.6	1.3	4.3	5.0	4.2	5.2	5.1	2.6
1968.....	4.1	3.3	4.6	3.1	2.6	4.0	4.9	9.1
(Not seasonally adjusted)								
1968 J.....	4.5	3.8	4.8	3.8	4.6	4.7	5.1	7.7
F.....	4.5	4.0	5.2	3.7	2.7	4.9	5.0	7.6
M.....	4.6	3.7	5.1	3.6	3.0	4.9	5.4	8.6
A.....	4.3	4.0	4.3	3.4	2.4	3.8	4.8	10.4
M.....	4.1	3.6	4.3	3.0	2.4	3.6	4.6	10.3
J.....	3.9	3.2	4.2	2.9	2.3	3.7	4.2	10.2
J.....	3.5	2.3	4.2	2.7	2.2	3.8	4.1	10.2
A.....	3.3	1.6	4.0	2.6	2.4	3.7	4.4	9.7
S.....	3.9	3.0	4.5	1.3	2.4	4.3	4.8	9.7
O.....	4.2	3.1	4.7	3.4	2.3	3.7	4.7	9.7
N.....	4.3	3.4	4.9	3.2	3.0	3.7	5.7	9.6
D.....	4.1	3.9	4.8	3.1	1.9	3.7	6.1	6.0
1969 J.....	3.8	3.1	5.0	2.4	2.2	3.8	6.6	3.5
F.....	3.7	2.6	4.8	2.3	3.6	3.6	6.0	3.9
M.....	3.9	3.3	4.9	2.7	3.8	3.5	5.9	2.4
A.....	4.4	3.5	5.2	2.6	4.8	5.4	6.5	3.5

(1),(2) See footnotes (1) and (2) on reference table 41.

SOURCE: DBS Prices and Prices Indexes.

REFERENCE TABLE 43
 CONSUMER PRICE INDEXES: SUPPLEMENTARY CLASSIFICATIONS
 1949 to 1969
 (1961=100)

Years and Months	Total Consumer Price Index	Total Commodities	Total Commodities Excluding Food	Non-Durables	Non-Durables Excluding Food	Durables	Total Services	Services Excluding Shelter
(Weights).....	(100.0)	(70.2)	(43.5)	(57.9)	(31.2)	(12.3)	(22.3)	(12.7)
1949.....	77.4	83.3	84.9	82.9	84.5	86.1	64.4	61.5
1950.....	79.6	85.0	86.2	84.5	85.9	87.6	68.0	63.9
1951.....	88.0	95.0	94.9	94.3	93.5	99.7	72.5	68.6
1952.....	90.2	95.8	96.8	94.9	95.4	101.8	77.2	73.4
1953.....	89.4	93.7	95.8	92.6	94.3	100.9	79.9	75.7
1954.....	89.9	93.4	95.4	92.4	94.1	100.1	82.7	78.4
1955.....	90.1	92.8	94.4	92.0	93.5	97.5	84.6	80.1
1956.....	91.4	93.5	94.8	92.8	94.2	97.2	87.3	83.4
1957.....	94.3	96.2	96.4	95.6	95.5	99.7	90.8	88.0
1958.....	96.8	98.4	98.0	97.9	97.2	101.2	94.0	91.9
1959.....	97.9	98.7	99.3	98.1	98.6	102.1	96.6	95.3
1960.....	99.1	99.5	99.9	99.0	99.4	101.8	98.7	98.1
1961 ⁽¹⁾	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	101.2	100.9	100.2	101.2	100.7	99.3	101.4	102.1
1963.....	103.0	102.6	101.0	103.3	101.7	99.5	102.8	104.1
1964.....	104.8	103.9	102.1	104.9	103.4	98.6	105.4	107.9
1965.....	107.4	105.6	103.2	107.0	104.9	98.7	109.8	114.6
1966.....	111.4	109.6	105.3	111.7	107.7	99.1	113.6	119.6
1967.....	115.4	112.4	109.2	114.6	111.9	102.1	119.7	127.0
1968.....	120.1	116.4	113.2	119.0	116.9	103.9	125.0	132.6
(Not seasonally adjusted)								
1968 J.....	118.1	114.7	111.4	117.0	114.3	103.7	122.5	130.0
F.....	118.2	115.0	111.6	117.3	114.9	103.4	122.5	129.7
M.....	118.6	115.2	112.6	117.7	116.0	103.9	122.9	130.4
A.....	119.3	115.7	113.1	118.1	116.7	104.0	123.7	131.3
M.....	119.3	115.7	113.2	118.1	116.8	103.9	124.3	132.1
J.....	119.7	116.0	113.3	118.5	116.9	103.9	125.2	132.9
J.....	120.4	116.5	113.4	119.2	117.2	103.8	125.6	133.3
A.....	120.7	116.8	113.4	119.6	117.3	103.2	125.9	133.5
S.....	121.1	117.3	113.7	120.1	117.6	103.6	126.3	133.9
O.....	121.4	117.7	114.2	120.6	118.3	103.7	126.5	133.9
N.....	121.9	117.7	114.7	120.5	118.6	104.5	127.3	135.0
D.....	122.3	118.2	114.8	121.0	118.7	104.6	127.3	135.0
1969 J.....	122.6	118.1	114.3	121.0	118.1	104.3	127.8	135.7
F.....	122.6	118.1	114.7	120.9	118.6	104.3	128.5	136.7
M.....	123.2	118.4	115.3	121.3	119.3	104.6	129.3	137.9
A.....	124.6	119.4	116.0	122.4	120.3	105.1	131.4	141.3

⁽¹⁾See footnote (1) on reference table 41.

SOURCE: DBS Prices and Price Indexes.

REFERENCE TABLE 44

CHANGES IN THE CONSUMER PRICE INDEXES: SUPPLEMENTARY CLASSIFICATIONS

1950 to 1969

Years and Months	Total Consumer Price Index	Total Commodities	Total Commodities Excluding Food	Non-Durables	Non-Durables Excluding Food	Durables	Total Services	Services Excluding Shelter
(Per cent change from same period a year ago)								
1950.....	2.8	2.0	1.5	1.9	1.7	1.7	5.6	3.9
1951.....	10.6	11.8	10.1	11.6	8.8	13.8	6.6	7.4
1952.....	2.5	0.8	2.0	0.6	2.0	2.1	6.5	7.0
1953.....	-0.9	-2.2	-1.0	-2.4	-1.2	-0.9	3.5	3.1
1954.....	0.6	-0.3	-0.4	-0.2	-0.2	-0.8	3.5	3.6
1955.....	0.2	-1.6	-1.0	-0.4	-0.6	-2.6	2.3	2.2
1956.....	1.4	0.8	0.8	0.9	0.7	-0.3	3.2	4.1
1957.....	3.2	2.9	1.7	3.0	1.4	2.6	4.0	5.5
1958.....	2.7	2.3	1.7	2.4	1.8	1.5	3.5	4.4
1959.....	1.1	0.3	1.3	0.2	1.4	0.9	2.8	3.7
1960.....	1.2	0.8	0.6	0.9	0.8	-0.3	2.2	2.9
1961 ⁽¹⁾	0.9	0.5	0.1	1.0	0.6	-1.8	1.3	1.9
1962.....	1.2	0.9	0.2	1.2	0.7	-0.7	1.4	2.1
1963.....	1.8	1.7	0.8	2.1	1.0	0.2	1.4	2.0
1964.....	1.7	1.3	1.1	1.5	1.7	-0.9	2.5	3.7
1965.....	2.5	1.6	1.1	2.0	1.5	0.1	4.2	6.2
1966.....	3.7	3.7	2.0	4.4	2.7	0.4	3.5	4.4
1967.....	3.6	2.6	3.7	2.6	3.9	3.0	5.4	6.2
1968.....	4.1	3.6	3.7	3.8	4.5	1.8	4.4	4.4
(Not seasonally adjusted)								
1968 J.....	4.5	3.9	4.2	4.0	4.5	3.1	5.7	6.4
F.....	4.5	4.2	4.1	4.3	4.6	2.9	4.9	4.9
M.....	4.6	4.1	4.3	4.3	4.8	2.7	5.0	5.2
A.....	4.3	3.7	3.9	4.0	4.4	2.3	4.2	3.9
M.....	4.1	3.6	3.9	3.8	4.4	2.2	4.1	3.8
J.....	3.9	3.3	3.6	3.6	4.2	1.6	4.4	4.2
J.....	3.5	2.6	3.6	2.9	4.5	1.2	4.2	4.0
A.....	3.3	2.5	3.6	2.8	4.5	0.9	4.2	4.0
S.....	3.9	3.4	3.2	3.8	4.0	0.9	4.2	4.0
O.....	4.2	3.7	3.9	4.2	5.0	0.8	4.0	3.7
N.....	4.3	3.7	4.1	4.1	4.9	1.5	4.4	4.3
D.....	4.1	3.5	3.3	4.0	4.2	0.5	4.3	4.2
1969 J.....	3.8	3.0	2.6	3.4	3.3	0.6	4.3	4.4
F.....	3.7	2.7	2.8	3.1	3.2	0.9	4.9	5.4
M.....	3.9	2.8	2.4	3.1	2.8	0.7	5.2	5.8
A.....	4.4	3.2	2.6	3.6	3.1	1.1	6.2	7.6

⁽¹⁾See footnote (1) on reference table 41.

SOURCE: DBS Prices and Price Indexes.

REFERENCE TABLE 45
CONTRIBUTIONS TO CHANGES IN THE CONSUMER PRICE INDEX
1963 to 1969

	1963	1964	1965	1966	1967	1968	1969 ⁽²⁾
	(Percentage points)						
All items.....	1.8	1.8	2.4	3.7	3.5	4.1	4.0
Food.....	0.9	0.4	0.7	1.6	0.4	0.9	0.9
Housing.....	0.4	0.5	0.6	0.9	1.4	1.5	1.6
Clothing.....	0.2	0.3	0.2	0.4	0.5	0.3	0.3
Transportation.....	—	0.2	0.4	0.3	0.5	0.3	0.4
Health and personal care.....	0.2	0.2	0.3	0.3	0.4	0.3	0.3
Recreation and reading.....	0.1	0.1	0.1	0.1	0.2	0.2	0.3
Tobacco and alcohol.....	—	0.1	0.1	0.1	0.1	0.6	0.2
All items.....	1.8	1.8	2.4	3.7	3.5	4.1	4.0
All commodities.....	1.2	0.9	1.0	2.4	1.6	2.4	2.0
Durables.....	—	-0.1	—	—	0.3	0.2	0.1
Non-durables.....	1.2	1.0	1.0	2.4	1.3	2.2	1.9
Non-durables excluding food.....	0.3	0.5	0.4	0.8	1.0	1.4	1.0
Services.....	0.3	0.7	1.1	1.0	1.4	1.0	1.2
Portion of shelter excluded ⁽¹⁾	0.3	0.2	0.3	0.3	0.5	0.7	0.8

⁽¹⁾Includes new houses, property taxes and mortgage interest.

⁽²⁾Per cent change is based on the first four months of 1969 compared to the first four months of 1968.

SOURCE: DBS Prices and Price Indexes.

REFERENCE TABLE 46
OTHER PRICE INDEXES
1947 to 1969

Years and Months	Price Index Com- modities and Services Used by Farmers	Farm Prices of Agri- cultural Prod- ucts ⁽¹⁾	Wholesale Price Indexes		Thirty Indus- trial Materials	Building Materials		Merchan- dise Export Prices	Merchan- dise Import Prices	Terms of Trade ⁽²⁾
			Raw and Partly Manu- factured Goods ⁽³⁾	Fully and Chiefly Manu- factured Goods ⁽³⁾		Resi- dential	Non- Resi- dential			
(1935-1939 = 100)										
1947.....	157.5	215.8	164.3	162.4	187.0	79.1	84.5	91.6	88.0	104.1
1948.....	183.7	255.8	196.3	192.4	222.7	95.4	95.9	100.0	100.0	100.0
1949.....	191.7	255.4	197.1	199.2	218.0	100.0	100.0	103.3	102.6	100.7
(1949 = 100)										
1950.....	197.3	260.8	212.8	211.0	244.6	106.4	105.0	108.3	110.3	98.2
1951.....	217.5	296.8	237.9	242.4	296.1	125.5	118.6	123.9	126.2	98.2
1952.....	229.8	274.4	218.7	230.7	252.6	124.9	123.2	121.8	110.4	110.3
1953.....	225.3	250.4	207.0	228.8	232.3	123.9	124.4	118.3	109.4	108.1
1954.....	224.2	236.8	204.8	224.2	223.7	121.7	121.8	115.1	109.5	105.1
1955.....	224.5	232.7	209.7	224.5	236.0	124.3	123.4	117.7	110.5	106.5
1956.....	230.3	234.6	215.8	231.5	248.2	128.5	128.0	121.3	113.0	107.3
1957.....	238.7	234.2	209.4	237.9	240.3	128.4	130.0	121.3	116.4	104.2
1958.....	242.7	245.5	209.3	238.3	229.8	127.3	129.8	120.6	116.5	103.5
1959.....	249.7	247.4	210.9	241.6	240.2	130.0	131.7	122.8	114.4	107.3
(1948 = 100)										
1960.....	254.7	250.0	209.6	242.2	240.4	129.2	132.3	123.0	115.5	106.5
1961.....	259.0	261.2	212.6	244.5	243.2	128.3	131.1	124.0	119.1	104.1
1962.....	265.8	272.0	223.8	249.0	248.0	129.7	131.9	128.1	124.5	102.9
1963.....	273.8	268.4	226.9	254.2	253.5	133.9	135.1	128.9	129.4	99.6
1964.....	281.6	265.8	225.7	256.4	258.3	142.5	139.6	130.7	130.8	99.9
1965.....	289.3	282.2	231.2	261.3	258.7	148.9	146.8	132.4	130.8	101.2
1966.....	305.2	307.0	242.7	268.6	261.4	154.4	151.0	137.9	132.5	104.1
1967.....	322.6	305.2	246.1	274.2	253.1	159.3	154.2	140.6	133.3	105.5
1968.....	338.9	299.1	249.1	281.6	254.0	168.2	157.8	145.6	136.3	106.8
(Not seasonally adjusted)										
1968 J.....	328.8	294.5	249.0	277.4	253.8	163.8	156.6	142.8	135.7	105.2
F.....	n.a.	294.4	247.8	278.1	252.5	164.4	157.1	143.3	137.1	104.5
M.....	n.a.	292.3	250.3	278.3	253.5	165.3	157.5	143.9	136.8	105.2
A.....	342.2	292.7	247.9	278.7	251.0	166.7	157.7	144.6	136.7	105.8
M.....	n.a.	295.6	249.2	279.7	251.7	166.9	157.8	145.6	136.0	107.1
J.....	n.a.	302.1	250.9	281.2	252.7	168.2	157.9	145.9	136.5	106.9
J.....	n.a.	304.8	248.3	281.0	253.4	168.5	157.2	146.3	135.8	107.7
A.....	345.6	305.9	248.4	282.2	254.2	169.2	157.5	146.0	135.5	107.7
S.....	n.a.	306.2	249.3	284.2	253.6	170.5	157.9	146.5	135.7	108.0
O.....	n.a.	300.7	247.4	284.8	255.3	171.0	158.2	146.3	135.9	107.7
N.....	n.a.	299.7	249.7	286.0	257.2	171.3	159.0	146.5	136.6	107.2
D.....	n.a.	300.7	250.9	287.7	258.9	172.9	159.5	146.5	136.4	107.4
1969 J.....	344.1	299.1	255.4	290.8	261.4	177.0	161.2	147.6	137.4	107.4
F.....	n.a.	300.7	255.9	292.0	263.5	178.9	162.1	148.5	138.0	107.6
M.....	n.a.	n.a.	255.0	293.7	264.1	183.2	164.3	n.a.	n.a.	n.a.

⁽¹⁾Exclusive of Newfoundland. Western grain prices used in the construction of the index prior to August 1, 1967 are final prices. From August 1, 1968 to date, the western grain prices used in the index are initial prices only for wheat, oats and barley. For the period August 1, 1967 to July 31, 1968, the western grain prices used in the construction of the index are final prices for oats and barley and initial prices for wheat.

⁽²⁾These two series comprise the general wholesale price index.

⁽³⁾The index of the ratio of merchandise export prices to merchandise import prices.

SOURCE: DBS *Prices and Price Indexes*.

DBS *Trade of Canada Exports*, Monthly, Cat. 65-004.

DBS *Trade of Canada Imports*, Monthly, Cat. 65-007.

DBS *Price Index Numbers of Commodities and Services Used by Farmers*, Monthly, Cat. 62-004.

DBS *Index Numbers of Farm Prices of Agricultural Products*, Monthly, Cat. 62-003.

REFERENCE TABLE 47
CHANGES IN OTHER PRICE INDEXES
1947 to 1969

Years and Months	Price Index Com- modities and Services Used by Farmers	Farm Prices of Agri- cultural Prod- ucts ⁽¹⁾	Wholesale Price Indexes		Thirty Indus- trial Materials	Building Materials		Merchan- dise Export Prices	Merchan- dise Import Prices	Terms of Trade ⁽³⁾
			Raw and Partly Manu- factured Goods ⁽²⁾	Fully and Chiefly Manu- factured Goods ⁽²⁾		Resi- dential	Non- Resi- dential			
(Per cent change from same period a year ago)										
1947.....	8.6	5.7	17.3	17.7	25.8	16.7	12.7	14.6	15.0	-0.3
1948.....	16.6	18.5	19.5	18.5	19.1	20.6	13.5	9.2	13.6	-3.9
1949.....	4.4	-0.2	0.4	3.5	-2.1	4.8	4.3	3.3	2.6	0.7
1950.....	2.9	2.1	8.0	5.9	12.2	6.4	5.0	4.8	7.5	-2.5
1951.....	10.2	13.8	11.8	14.9	21.1	18.0	13.0	14.4	14.4	0.0
1952.....	5.7	-7.5	-8.1	-4.8	-14.7	-0.5	3.9	-1.7	-12.5	13.1
1953.....	-2.0	-8.7	-5.3	-0.8	-8.0	-0.8	1.0	-2.9	-0.9	-2.0
1954.....	-0.5	-5.4	-1.1	-2.0	-3.7	-1.8	-2.1	-2.7	0.1	-2.8
1955.....	0.1	-1.7	2.4	0.1	5.5	2.1	1.3	2.3	0.9	1.3
1956.....	2.6	0.8	2.9	3.1	5.2	3.4	3.7	3.1	2.3	0.8
1957.....	3.6	-0.2	-3.0	2.8	-3.2	-0.1	1.6	0.0	3.0	-2.9
1958.....	1.7	4.8	0.0	0.2	-4.4	-0.9	-0.2	-0.6	0.1	-0.7
1959.....	2.9	0.8	0.8	1.4	4.5	2.1	1.5	1.8	-1.8	3.7
1960.....	2.0	1.1	-0.6	0.2	0.1	-0.6	0.5	0.2	1.0	-0.7
1961.....	1.7	4.5	1.4	0.9	1.2	-0.7	-0.9	0.8	3.1	-2.3
1962.....	2.6	4.1	5.3	1.8	2.0	1.1	0.6	3.3	4.5	-1.2
1963.....	3.0	-1.3	1.4	2.1	2.2	3.2	2.4	0.6	3.9	-3.2
1964.....	2.8	-1.0	-0.5	0.9	1.9	6.4	3.3	1.4	1.1	0.3
1965.....	2.7	6.2	2.4	1.9	0.2	4.5	5.2	1.3	0.0	1.3
1966.....	5.5	8.8	5.0	2.8	1.0	3.7	2.9	4.2	1.3	2.9
1967.....	5.7	-0.6	1.4	2.1	-3.2	3.2	2.1	2.0	0.6	1.3
1968.....	5.1	-2.0	1.2	2.7	0.4	5.6	2.3	3.6	2.3	1.2
(Not seasonally adjusted)										
1968 J.....	4.8	-5.3	1.7	2.2	0.2	4.7	2.2	2.1	1.7	0.3
F.....	n.a.	-5.6	0.4	2.3	-0.6	4.6	2.2	2.6	2.7	-0.1
M.....	n.a.	-5.7	2.2	2.2	0.6	4.9	2.3	3.0	2.5	0.5
A.....	5.0	-4.8	1.2	2.3	-0.6	5.6	2.2	2.9	2.1	0.9
M.....	n.a.	-4.4	1.2	2.3	-1.2	5.4	2.5	3.6	2.0	1.5
J.....	n.a.	-3.5	2.0	2.6	-1.6	6.1	2.5	3.6	2.3	1.3
J.....	n.a.	-1.5	1.7	2.2	0.2	5.7	2.0	4.1	2.0	2.0
A.....	5.3	1.8	0.7	2.6	0.8	5.7	2.1	3.5	1.7	1.7
S.....	n.a.	2.2	1.2	3.1	1.0	6.2	2.3	3.8	2.1	1.7
O.....	n.a.	0.6	0.2	3.3	2.1	5.9	2.4	3.8	1.7	2.1
N.....	n.a.	1.4	1.8	3.5	1.7	5.8	2.8	3.4	2.4	0.9
D.....	n.a.	1.4	0.4	4.0	1.8	6.5	2.8	2.9	2.3	0.6
1969 J.....	4.7	1.6	2.6	4.8	3.0	8.1	2.9	3.4	3.0	2.1
F.....	n.a.	2.1	3.3	5.0	4.4	8.8	3.2	3.6	1.3	3.0
M.....	n.a.	n.a.	1.9	5.5	4.2	10.8	4.3	n.a.	n.a.	n.a.

(1), (2), (3) See footnotes (1), (2) and (3) on reference table 46.

SOURCE: DBS Prices and Price Indexes.
DBS Trade of Canada Exports.
DBS Trade of Canada Imports.
DBS Price Index Numbers of Commodities and Services Used by Farmers.
DBS Index Numbers of Farm Prices of Agricultural Products.

REFERENCE TABLE 48
TOTAL GOVERNMENT EXPENDITURES
 (National Accounts Basis)
 1947 to 1968

Years and Quarters	Goods and Services	Transfer Payments to Persons	Interest on the Public Debt	Subsidies	Capital Assistance ⁽¹⁾	Canada and Quebec Pension Plans	Total Expenditures ⁽²⁾	Deficit (-) or Surplus
(Millions of dollars)								
1947.....	1,541	839	559	177	—	—	3,116	753
1948.....	1,797	862	558	75	—	—	3,292	708
1949.....	2,127	948	572	77	—	—	3,724	373
1950.....	2,344	1,030	545	63	—	—	3,982	585
1951.....	3,271	1,032	553	128	—	—	4,984	985
1952.....	4,279	1,359	580	100	—	—	6,318	253
1953.....	4,432	1,461	610	110	—	—	6,613	175
1954.....	4,461	1,634	669	86	—	—	6,850	-131
1955.....	4,792	1,737	669	82	—	—	7,280	106
1956.....	5,386	1,766	714	123	—	—	7,989	350
1957.....	5,722	2,076	739	116	—	—	8,653	100
1958.....	6,180	2,637	782	146	—	—	9,745	-1,007
1959.....	6,490	2,755	963	205	—	—	10,413	-556
1960.....	6,769	3,120	1,095	235	—	—	11,219	-717
1961.....	7,236	3,441	1,170	251	6	—	12,104	-1,005
1962.....	7,717	3,725	1,305	292	27	—	13,066	-854
1963.....	8,075	3,848	1,423	311	61	—	13,718	-690
1964.....	8,654	4,133	1,526	323	82	—	14,718	36
1965.....	9,614	4,574	1,645	326	84	—	16,243	325
1966.....	11,286	5,047	1,805	516	59	—	18,713	348
1967.....	12,377	6,223	1,982	522	65	—	21,169	157
1968.....	13,329	7,179	2,262	500	70	15	23,355	800
(Seasonally adjusted at annual rates)								
1966 I.....	10,656	4,760	1,756	416	32	—	17,620	580
II.....	10,964	4,928	1,780	456	88	—	18,216	576
III.....	11,632	5,156	1,820	384	56	—	19,048	316
IV.....	11,892	5,344	1,864	808	60	—	19,968	-80
1967 I.....	11,860	5,884	1,844	416	52	—	20,056	824
II.....	12,672	6,236	1,928	536	60	—	21,432	-588
III.....	12,288	6,200	2,020	540	48	—	21,096	462
IV.....	12,688	6,572	2,136	596	100	—	22,092	-60
1968 I.....	12,840	6,632	2,092	444	80	4	22,092	1,168
II.....	13,112	7,160	2,260	472	36	12	23,052	220
III.....	13,408	7,388	2,364	532	108	16	23,816	436
IV.....	13,956	7,536	2,332	552	56	28	24,460	1,376

⁽¹⁾From 1961 on, this item is treated as government current expenditure; prior to 1961, it was treated as capital transfer.

⁽²⁾Excludes inter-governmental transfers.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 49
FEDERAL GOVERNMENT EXPENDITURES
1947 to 1968

Years and Quarters	Goods and Services	Transfer Payments to Persons	Interest on the Public Debt	Subsidies	Capital Assistance ⁽¹⁾	Transfers to Other Levels of Government	Total Expenditures	Deficit (-) or Surplus
(Millions of dollars)								
1947.....	629	611	453	171	—	192	2,056	684
1948.....	673	570	453	71	—	150	1,917	760
1949.....	870	583	461	73	—	187	2,174	480
1950.....	977	615	427	60	—	251	2,330	635
1951.....	1,702	577	427	124	—	259	3,089	1,021
1952.....	2,489	979	441	96	—	398	4,373	253
1953.....	2,559	1,046	461	106	—	412	4,884	142
1954.....	2,449	1,161	504	84	—	430	4,628	-100
1955.....	2,510	1,232	494	75	—	450	4,761	176
1956.....	2,683	1,224	524	118	—	485	5,034	544
1957.....	2,728	1,463	519	108	—	521	5,339	249
1958.....	2,854	1,899	544	131	—	663	6,091	-757
1959.....	2,832	1,791	678	189	—	880	6,370	-327
1960.....	2,730	1,976	753	209	—	994	6,662	-251
1961.....	2,982	2,006	786	221	6	1,128	7,129	-461
1962.....	3,025	2,112	866	260	27	1,134	7,424	-565
1963.....	2,934	2,133	935	275	61	1,169	7,507	-330
1964.....	3,046	2,239	995	277	82	1,252	7,891	344
1965.....	3,293	2,312	1,052	259	84	1,434	8,434	625
1966.....	3,920	2,478	1,151	375	59	1,662	9,645	164
1967.....	4,259	2,936	1,245	390	65	1,992	10,887	-256
1968.....	4,475	3,277	1,409	375	70	2,452	12,058	-165
(Seasonally adjusted at annual rates)								
1966 I.....	3,700	2,420	1,124	252	32	1,544	9,072	348
II.....	3,752	2,428	1,128	320	88	1,640	9,356	268
III.....	3,992	2,516	1,168	248	56	1,644	9,624	284
IV.....	4,236	2,543	1,184	680	60	1,820	10,528	-244
1967 I.....	4,098	2,772	1,140	292	52	1,752	10,104	400
II.....	4,472	3,032	1,208	436	60	2,112	11,320	-920
III.....	4,196	2,972	1,280	396	48	2,064	10,956	-208
IV.....	4,272	2,968	1,352	436	100	2,040	11,168	-296
1968 I.....	4,384	3,064	1,256	328	80	2,324	11,436	108
II.....	4,348	3,400	1,424	352	36	2,564	12,124	-936
III.....	4,376	3,292	1,500	388	108	2,376	12,040	-80
IV.....	4,792	3,352	1,456	432	56	2,544	12,632	248

⁽¹⁾See footnote (1) on reference table 48.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 50
 PROVINCIAL-MUNICIPAL GOVERNMENT EXPENDITURES
 1947 to 1968

Years and Quarters	Goods and Services	Transfer Payments to Persons	Interest on the Public Debt	Subsidies	Total Expenditures	Deficit(-) or Surplus
(Millions of dollars)						
1947.....	912	228	106	6	1,252	69
1948.....	1,124	292	105	4	1,525	-52
1949.....	1,257	365	111	4	1,737	-107
1950.....	1,367	415	118	3	1,903	-50
1951.....	1,569	455	126	4	2,154	-36
1952.....	1,790	380	139	4	2,313	—
1953.....	1,873	415	149	4	2,441	33
1954.....	2,012	473	165	2	2,652	-31
1955.....	2,282	505	175	7	2,969	-70
1956.....	2,703	542	190	5	3,440	-194
1957.....	2,994	613	220	8	3,835	-149
1958.....	3,326	738	238	15	4,317	-250
1959.....	3,658	964	235	16	4,923	-229
1960.....	4,039	1,144	342	26	5,551	-466
1961.....	4,254	1,435	384	30	6,103	-544
1962.....	4,692	1,613	439	32	6,776	-289
1963.....	5,141	1,715	488	36	7,380	-360
1964.....	5,608	1,894	531	46	8,079	-308
1965.....	6,321	2,262	593	67	9,243	-300
1966.....	7,366	2,569	654	141	10,730	-535
1967.....	8,118	3,287	737	132	12,274	-473
1968.....	8,854	3,902	853	125	13,734	-25
(Seasonally adjusted at annual rates)						
1966 I.....	6,956	2,340	632	164	10,092	-260
II.....	7,212	2,500	652	136	10,500	-436
III.....	7,640	2,640	652	136	11,068	-768
IV.....	7,656	2,796	680	128	11,260	-876
1967 I.....	7,764	3,112	704	124	11,704	-440
II.....	8,200	3,204	720	100	12,224	-540
III.....	8,062	3,228	740	144	12,204	-236
IV.....	8,416	3,604	784	160	12,964	-676
1968 I.....	8,456	3,568	836	116	12,976	108
II.....	8,764	3,760	836	120	13,480	168
III.....	9,032	4,096	864	144	14,136	-460
IV.....	9,164	4,184	876	120	14,344	84

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 51
 PROVINCIAL AND MUNICIPAL GOVERNMENTS' EXPENDITURES
 1947 to 1967

Years	Goods and Services	Transfer Payments to Persons	Interest on the Public Debt	Subsidies	Transfers to Other Levels of Government	Total Expenditures	Deficit(-) or Surplus
Provincial Governments							
(Millions of dollars)							
1947.....	382	209	68	6	101	766	107
1948.....	467	271	68	4	129	939	32
1949.....	510	342	72	4	157	1,085	-1
1950.....	535	391	76	3	171	1,176	63
1951.....	631	425	79	4	197	1,336	78
1952.....	724	343	85	4	215	1,371	143
1953.....	695	377	91	4	242	1,409	203
1954.....	747	429	97	2	259	1,534	155
1955.....	846	463	97	7	327	1,740	134
1956.....	1,041	500	105	5	362	2,013	79
1957.....	1,128	564	114	8	452	2,266	144
1958.....	1,222	677	119	15	545	2,578	66
1959.....	1,349	895	126	16	622	3,008	112
1960.....	1,465	1,067	148	26	714	3,420	-76
1961.....	1,467	1,332	166	30	842	3,837	-128
1962.....	1,563	1,515	192	32	1,063	4,365	93
1963.....	1,725	1,612	224	36	1,148	4,745	59
1964.....	1,929	1,792	249	46	1,280	5,296	130
1965.....	2,188	2,141	271	67	1,469	6,136	225
1966.....	2,663	2,441	297	141	1,703	7,245	67
1967.....	3,015	3,154	357	132	2,127	8,785	-124
Municipal Governments							
(Millions of dollars)							
1947.....	530	19	38		7	594	-38
1948.....	657	21	37		9	724	-84
1949.....	747	23	39		10	819	-106
1950.....	832	24	42		11	909	-113
1951.....	938	30	47		13	1,028	-114
1952.....	1,066	37	54		13	1,170	-143
1953.....	1,178	38	58		15	1,289	-170
1954.....	1,265	44	68		15	1,392	-186
1955.....	1,436	42	78		22	1,578	-204
1956.....	1,662	42	85		18	1,807	-273
1957.....	1,866	49	106		28	2,049	-293
1958.....	2,104	61	119		17	2,301	-316
1959.....	2,309	69	159		24	2,561	-341
1960.....	2,574	77	194		17	2,862	-390
1961.....	2,787	103	218		15	3,123	-416
1962.....	3,129	98	247		15	3,489	-382
1963.....	3,416	103	264		17	3,800	-419
1964.....	3,679	102	282		17	4,080	-438
1965.....	4,133	121	322		22	4,598	-525
1966.....	4,703	128	357		30	5,218	-602
1967.....	5,103	133	380		38	5,654	-349

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 52
TOTAL GOVERNMENT REVENUES
(National Accounts Basis)
1947 to 1968

Years and Quarters	Direct Taxes		With- holding Taxes	Indirect Taxes	Investment Income ⁽²⁾	Employer and Employee Contri- butions to Social Insurance and Govern- ment Pension Funds ⁽²⁾	Canada and Quebec Pension Plans ⁽²⁾	Total Reve- nues ^{(1) (2)}
	Persons	Corpo- rations						
	(Millions of dollars)							
1947.....	791	702	35	1,785	375	181	—	3,869
1948.....	822	687	41	1,840	386	224	—	4,000
1949.....	789	718	47	1,885	419	239	—	4,097
1950.....	740	983	54	2,063	471	266	—	4,567
1951.....	1,030	1,416	56	2,597	534	336	—	5,969
1952.....	1,323	1,384	55	2,817	617	375	—	6,571
1953.....	1,432	1,220	54	3,021	651	410	—	6,788
1954.....	1,437	1,082	58	3,033	687	422	—	6,719
1955.....	1,499	1,272	67	3,319	753	476	—	7,386
1956.....	1,732	1,413	69	3,759	834	532	—	8,339
1957.....	1,917	1,337	83	3,977	849	590	—	8,753
1958.....	1,795	1,315	48	4,028	937	615	—	8,738
1959.....	2,083	1,581	74	4,464	998	652	—	9,857
1960.....	2,360	1,544	79	4,705	1,063	751	—	10,502
1961.....	2,511	1,612	116	4,947	1,126	787	—	11,099
1962.....	2,729	1,710	125	5,585	1,251	812	—	12,212
1963.....	2,916	1,827	127	5,911	1,395	852	—	13,028
1964.....	3,428	2,053	140	6,695	1,526	912	—	14,754
1965.....	3,913	2,225	168	7,564	1,671	1,027	—	16,568
1966.....	4,484	2,352	203	8,466	1,808	1,129	719	19,061
1967.....	5,493	2,208	218	9,227	2,112	1,182	886	21,326
1968.....	6,660	2,593	209	10,021	2,294	1,373	1,005	24,155
	(Seasonally adjusted at annual rates)							
1966 I.....	4,256	2,204	180	8,276	1,736	1,056	492	18,200
II.....	4,208	2,312	196	8,368	1,836	1,128	744	18,792
III.....	4,604	2,236	204	8,564	1,784	1,172	800	19,364
IV.....	4,868	2,256	232	8,656	1,876	1,160	840	19,888
1967 I.....	5,532	2,120	192	9,208	1,828	1,136	864	20,880
II.....	4,980	2,228	240	9,224	2,116	1,184	872	20,844
III.....	5,540	2,224	220	9,164	2,228	1,276	896	21,548
IV.....	5,920	2,260	220	9,312	2,276	1,132	912	22,032
1968 I.....	6,412	2,396	220	9,812	2,160	1,304	956	23,260
II.....	6,236	2,480	208	9,768	2,292	1,288	1,000	23,272
III.....	6,716	2,608	232	10,044	2,308	1,352	992	24,252
IV.....	7,276	2,888	176	10,460	2,416	1,548	1,072	25,836

⁽¹⁾ Excludes inter-governmental transfers.

⁽²⁾ Excludes receipts from Canada and Quebec Pension Plans.

⁽³⁾ Includes receipts from Canada and Quebec Pension Plans.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 53
FEDERAL GOVERNMENT REVENUES
1947 to 1968

Years and Quarters	Direct Taxes		With- holding Taxes	Indirect Taxes	Investment Income	Employer and Employee Contributions to Social Insurance and Government Pension Funds	Total Revenues
	Persons	Corpo- rations					
	(Millions of dollars)						
1947.....	729	631	35	1,136	109	100	2,740
1948.....	752	568	41	1,086	101	129	2,677
1949.....	707	588	47	1,048	123	141	2,654
1950.....	654	837	54	1,115	146	159	2,965
1951.....	931	1,227	56	1,495	180	221	4,110
1952.....	1,223	1,275	55	1,595	231	247	4,626
1953.....	1,329	1,144	54	1,697	232	270	4,726
1954.....	1,319	1,018	58	1,612	234	287	4,528
1955.....	1,325	1,210	67	1,744	267	324	4,937
1956.....	1,550	1,334	69	1,972	296	357	5,578
1957.....	1,723	1,132	83	1,990	276	384	5,588
1958.....	1,581	1,075	48	1,912	327	391	5,334
1959.....	1,770	1,310	74	2,125	350	414	6,043
1960.....	2,017	1,266	79	2,180	382	487	6,411
1961.....	2,132	1,311	116	2,190	409	510	6,668
1962.....	2,088	1,279	125	2,401	448	518	6,859
1963.....	2,193	1,362	127	2,451	510	534	7,177
1964.....	2,558	1,546	140	2,847	570	574	8,235
1965.....	2,716	1,675	168	3,252	630	618	9,059
1966.....	2,955	1,696	203	3,575	690	690	9,809
1967.....	3,572	1,630	218	3,707	800	704	10,631
1968.....	4,283	1,932	209	3,764	878	827	11,893
	(Seasonally adjusted at annual rates)						
1966 I.....	2,808	1,668	180	3,512	612	640	9,420
II.....	2,732	1,740	196	3,536	720	700	9,624
III.....	3,060	1,684	204	3,608	636	716	9,908
IV.....	3,220	1,692	232	3,644	792	704	10,284
1967 I.....	3,632	1,568	192	3,820	612	680	10,504
II.....	3,276	1,648	240	3,712	808	716	10,400
III.....	3,588	1,644	220	3,644	872	780	10,748
IV.....	3,792	1,660	220	3,652	908	640	10,872
1968 I.....	4,260	1,788	220	3,716	784	776	11,544
II.....	3,952	1,852	208	3,576	844	756	11,188
III.....	4,272	1,944	232	3,772	952	788	11,960
IV.....	4,648	2,144	176	3,992	932	988	12,880

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 54
 PROVINCIAL-MUNICIPAL GOVERNMENT REVENUES
 1947 to 1968

Years and Quarters	Direct Taxes		Indirect Taxes	Investment Income	Employer and Employee Contributions to Social Insurance and Government Pension Funds	Transfers from Federal Government	Total Revenues
	Persons	Corpo- rations					
	(Millions of dollars)						
1947	62	71	649	266	81	192	1,321
1948	70	119	754	285	95	150	1,473
1949	82	130	837	296	98	187	1,630
1950	86	146	948	325	97	251	1,853
1951	99	189	1,102	354	115	259	2,118
1952	100	109	1,222	386	128	368	2,313
1953	103	76	1,324	419	140	412	2,474
1954	118	64	1,421	453	135	430	2,621
1955	174	62	1,575	486	152	450	2,899
1956	182	79	1,787	538	175	485	3,246
1957	194	205	1,987	573	206	521	3,686
1958	214	240	2,116	610	224	663	4,067
1959	318	271	2,339	648	238	880	4,694
1960	343	278	2,525	681	264	994	5,085
1961	379	301	2,757	717	277	1,128	5,559
1962	641	431	3,184	803	294	1,134	6,487
1963	723	465	3,460	885	318	1,169	7,020
1964	870	507	3,848	956	338	1,252	7,771
1965	1,197	550	4,312	1,041	409	1,434	8,943
1966	1,529	556	4,891	1,118	439	1,662	10,195
1967	1,921	578	5,520	1,312	478	1,992	11,801
1968	2,377	661	6,257	1,416	546	2,452	13,709
	(Seasonally adjusted at annual rates)						
1966 I	1,448	536	4,764	1,124	416	1,544	9,832
II	1,476	572	4,832	1,116	428	1,640	10,064
III	1,544	552	4,956	1,148	456	1,644	10,300
IV	1,648	564	5,012	1,084	456	1,820	10,584
1967 I	1,900	552	5,388	1,216	456	1,752	11,264
II	1,704	580	5,512	1,308	468	2,112	11,684
III	1,952	580	5,520	1,356	496	2,064	11,968
IV	2,128	600	5,660	1,368	492	2,040	12,288
1968 I	2,152	608	6,096	1,376	528	2,324	13,064
II	2,284	628	6,192	1,448	532	2,564	13,648
III	2,444	664	6,272	1,556	564	2,376	13,676
IV	2,628	744	6,468	1,484	560	2,544	14,428

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 55
 PROVINCIAL AND MUNICIPAL GOVERNMENTS' REVENUES
 1947 to 1967

Years	Direct Taxes		Indirect Taxes	Investment Income	Employer and Employee Contributions to Social Insurance and Government Pension Funds	Transfers from Other Levels of Government	Total Revenues
	Persons	Corporations					
	Provincial Governments						
	(Millions of dollars)						
1947.....	59	71	289	179	76	199	873
1948.....	66	119	351	187	89	159	971
1949.....	78	130	392	195	92	197	1,084
1950.....	82	146	449	211	90	261	1,239
1951.....	94	189	527	226	108	270	1,414
1952.....	95	109	567	245	120	378	1,514
1953.....	97	76	613	271	131	424	1,612
1954.....	112	64	655	289	126	443	1,689
1955.....	159	62	739	309	140	465	1,874
1956.....	165	79	846	346	162	494	2,092
1957.....	176	205	937	367	192	533	2,410
1958.....	195	240	960	390	202	657	2,644
1959.....	297	271	1,043	413	216	880	3,120
1960.....	320	278	1,090	437	240	979	3,344
1961.....	353	301	1,233	461	251	1,110	3,709
1962.....	611	431	1,535	511	265	1,105	4,458
1963.....	692	465	1,663	564	286	1,134	4,804
1964.....	839	507	1,947	612	305	1,216	5,426
1965.....	1,166	550	2,209	679	370	1,387	6,361
1966.....	1,497	556	2,535	735	402	1,587	7,312
1967.....	1,891	578	2,905	911	438	1,938	8,661
	Municipal Governments						
	(Millions of dollars)						
1947.....	3		360	87	5	101	556
1948.....	4		403	98	6	129	640
1949.....	4		445	101	6	157	713
1950.....	4		499	114	7	172	796
1951.....	5		575	128	7	199	914
1952.....	5		655	141	8	218	1,027
1953.....	6		711	148	9	245	1,119
1954.....	6		766	164	9	261	1,206
1955.....	15		836	177	12	334	1,374
1956.....	17		941	192	13	371	1,534
1957.....	18		1,050	206	14	468	1,756
1958.....	19		1,156	220	22	568	1,985
1959.....	21		1,296	235	22	646	2,220
1960.....	23		1,435	244	24	746	2,472
1961.....	26		1,524	256	26	875	2,707
1962.....	30		1,649	292	29	1,107	3,107
1963.....	31		1,797	321	32	1,200	3,381
1964.....	31		1,901	344	33	1,333	3,642
1965.....	31		2,103	362	39	1,538	4,073
1966.....	32		2,356	383	37	1,808	4,616
1967.....	30		2,615	401	40	2,219	5,305

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 56
FEDERAL GOVERNMENT REVENUES AND EXPENDITURES
PUBLIC ACCOUNTS AND NATIONAL ACCOUNTS RECONCILIATION
1967 and 1968
(Not seasonally adjusted)

	1967				1968			
	I	II	III	IV	I	II	III	IV
	(Millions of dollars)							
REVENUE:								
Budgetary Revenue.....	2,224	2,173	2,104	2,340	2,425	2,136	2,396	2,666
Deduct:								
Budgetary return on investment.....	-148	-141	-90	-218	-163	-145	-101	-228
Post Office revenue.....	-65	-59	-60	-85	-78	-63	-57	-89
Other non-tax budgetary revenue.....	-52	-14	-28	-28	-61	-18	-28	-60
Corporate income tax, excess of accruals(+) over collections(-).....	(-285)	(-214)	(-178)	(-331)	(-302)	(-226)	(-186)	(-377)
Corporate income tax, excess of accruals(+) over collections(-).....	-122	-82	-23	+ 34	- 80	+ 46	- 87	+151
Add:								
Extra-budgetary funds revenue:								
Old age security taxes.....	373	377	345	345	428	420	377	380
Unemployment insurance fund-employer-employee contributions.....	88	82	93	87	84	85	104	127
Government pension fund-employer-employee contributions.....	84	91	105	74	112	97	97	122
Prairie Farm Assistance Act levies.....	2	3	5	1	2	2	4	1
Government investment income:	(547)	(553)	(548)	(507)	(636)	(604)	(582)	(630)
Interest on loans, advances and investments.....	67	81	80	106	85	90	85	88
Interest receipts on social insurance and government pension accounts.....	53	57	58	60	60	60	62	60
Profits before taxes (net of losses) of government business enterprises.....	6	72	77	83	17	71	96	103
Miscellaneous ⁽¹⁾	(126)	(210)	(215)	(249)	(162)	(221)	(242)	(253)
Miscellaneous ⁽¹⁾	-108	93	- 4	35	-166	149	4	24
Total Revenue, national accounts basis.....	2,402	2,733	2,662	2,834	2,665	2,930	2,951	3,347
EXPENDITURE:								
Budgetary Expenditure.....	2,756	2,018	2,320	2,392	3,106	2,108	2,456	2,686
Deduct:								
Budgetary transfers to funds and agencies ⁽²⁾	-200	-159	-125	-153	-259	-113	-119	-151
Post Office expenditure.....	-83	-61	-71	-78	-91	-67	-69	-103
Deficits of government business enterprises.....	-46	-9	-13	-14	-47	- 8	- 6	-22
Reserves and write-offs.....	-151	-7	- 8	- 7	-11	- 8	- 8	- 9
Purchase of existing capital assets.....	- 1	- 1	- 1	- 1	- 2	- 3	- 3	- 3
Budgetary revenue items offset against budgetary expenditure ⁽³⁾	- 32	- 32	- 32	- 35	- 33	- 33	- 27	- 34
Budgetary revenue items offset against budgetary expenditure ⁽³⁾	(-513)	(-289)	(-250)	(-288)	(-443)	(-232)	(-232)	(-322)

[illegible]

(c) These miscellaneous adjustments largely represent revenues from miscellaneous direct and indirect taxes and adjustments for the supplementary period. In the National Accounts, revenues in the supplementary period are shifted into the following fiscal quarter.

revenues in the supplementary period are shifted into the following fiscal quarter.

revenues in the supply sector. Payments to the private sector, and are (2) In the National Accounts, budgetary appropriations to various funds and agencies are replaced by the outlays actually made by these federal agencies. These sales appear as final expenditure of the private sector, and are

These sales appear as final expenditure of the private sector, and are

(3) The largest components of this item consists of revenues from sales of goods and services by the government. These sales appear as much expenditures on one particular sector,

REFERENCE TABLE 57
SOURCE AND DISPOSITION OF SAVING
1947 to 1968

Years and Quarters	Source:								Disposition:		
	Personal Net Saving	Business Gross Saving			Government Sector Surplus or Deficit (-)	Deficit on Current Account with Non-Residents	Other ⁽¹⁾	Total	Business Gross Fixed Capital Formation	Value of Physical Change in Inventories	Total
		Total	Undistributed Corporation Profits	Capital Consumption Allowances and Miscellaneous Valuation Adjustment							
(Millions of dollars)											
1947.....	494	1,851	628	1,223	753	-19	-591	2,488	2,085	403	2,488
1948.....	994	2,231	790	1,441	708	-417	-784	2,732	2,619	113	2,732
1949.....	926	2,260	587	1,673	373	-168	-310	3,081	3,032	49	3,081
1950.....	662	2,665	752	1,913	585	330	-344	3,898	3,348	550	3,898
1951.....	1,334	2,865	662	2,203	985	524	-835	4,873	3,959	914	4,873
1952.....	1,291	3,040	618	2,422	253	-173	552	4,963	4,451	512	4,963
1953.....	1,312	3,402	729	2,673	175	443	249	5,581	4,998	583	5,581
1954.....	809	3,476	571	2,905	-131	427	68	4,649	4,779	-130	4,649
1955.....	850	4,228	962	3,266	106	679	-342	5,521	5,210	311	5,521
1956.....	1,320	4,773	1,131	3,642	350	1,350	65	7,858	6,774	1,084	7,858
1957.....	1,202	4,863	854	4,009	100	1,422	-21	7,566	7,335	231	7,566
1958.....	1,635	4,775	876	3,899	-1,007	1,083	167	6,653	6,975	-322	6,653
1959.....	1,357	5,190	986	4,204	-556	1,448	-188	7,251	6,894	357	7,251
1960.....	1,535	5,260	837	4,423	-717	1,164	-140	7,102	6,692	410	7,102
1961.....	1,545	5,297	757	4,540	-1,005	911	-83	6,665	6,635	30	6,665
1962.....	2,317	5,829	937	4,892	-854	823	-623	7,492	6,960	532	7,492
1963.....	2,531	6,264	1,066	5,198	-690	507	-486	8,126	7,591	535	8,126
1964.....	2,059	6,892	1,292	5,600	36	392	110	9,489	9,103	386	9,489
1965.....	3,088	7,464	1,354	6,110	325	1,135	-413	11,599	10,651	948	11,599
1966.....	3,731	7,765	1,142	6,623	348	1,232	357	13,433	12,493	940	13,433
1967.....	3,995	8,030	1,030	7,000	157	667	-15	12,834	12,609	225	12,834
1968.....	4,048	8,777	1,517	7,260	800	332	-544	13,413	12,753	660	13,413
(Seasonally adjusted at annual rates)											
1966 I.....	3,676	7,936	1,532	6,404	580	972	-208	12,956	11,968	988	12,956
II.....	4,068	7,844	1,220	6,624	576	1,208	544	14,240	12,572	1,668	14,240
III.....	3,476	7,580	884	6,696	316	1,256	268	12,896	12,308	588	12,896
IV.....	3,704	7,700	932	6,768	-80	1,492	824	13,640	13,124	516	13,640
1967 I.....	4,064	8,008	1,008	7,000	824	648	-156	13,388	13,236	152	13,388
II.....	4,460	8,056	880	7,176	-588	884	404	13,216	13,068	148	13,216
III.....	3,724	8,056	1,076	6,980	452	868	-252	12,848	12,168	680	12,848
IV.....	3,732	8,000	1,156	6,844	-60	268	-56	11,884	11,964	-80	11,884
1968 I.....	3,128	8,424	1,172	7,252	1,168	472	-92	13,100	12,632	468	13,100
II.....	4,624	8,548	1,288	7,260	220	-164	-328	12,900	12,516	384	12,900
III.....	4,272	8,816	1,544	7,272	436	496	-568	13,452	12,736	716	13,452
IV.....	4,168	9,320	2,064	7,256	1,376	524	-1,188	14,200	13,128	1,072	14,200

⁽¹⁾Includes adjustment on grain transactions, inventory valuation adjustment, capital assistance and net residual error.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 58
PER CENT DISTRIBUTION OF THE SOURCE AND DISPOSITION OF SAVING
1947 to 1968

Years and Quarters	Source:								Disposition:		
	Personal Net Saving	Business Gross Saving			Government Sector Surplus or Deficit (-)	Deficit on Current Account with Non-Residents	Other ⁽¹⁾	Total	Business Gross Fixed Capital Formation	Value of Physical Change in Inventories	Total
		Total	Undistributed Corporation Profits	Capital Consumption Allowances and Miscellaneous Valuation Adjustments							
1947.....	19.9	74.4	25.2	49.2	30.3	- 0.8	-23.8	100.0	83.8	16.2	100.0
1948.....	36.4	81.7	28.9	52.8	25.9	-15.3	-28.7	100.0	95.9	4.1	100.0
1949.....	30.1	73.4	19.1	54.3	12.1	- 5.5	-10.1	100.0	98.4	1.6	100.0
1950.....	17.0	68.4	19.3	49.1	15.0	8.4	- 8.8	100.0	85.9	14.1	100.0
1951.....	27.4	58.8	13.6	45.2	20.2	10.7	-17.1	100.0	81.2	18.8	100.0
1952.....	26.0	61.3	12.5	48.8	5.1	- 3.5	11.1	100.0	89.7	10.3	100.0
1953.....	23.5	61.0	13.1	47.9	3.1	7.9	4.5	100.0	89.6	10.4	100.0
1954.....	17.4	74.8	12.3	62.5	- 2.8	9.2	1.4	100.0	102.8	- 2.8	100.0
1955.....	15.4	76.6	17.4	59.2	1.9	12.3	- 6.2	100.0	94.4	5.6	100.0
1956.....	16.8	60.7	14.4	46.3	4.5	17.2	0.8	100.0	86.2	13.8	100.0
1957.....	15.9	64.3	11.3	53.0	1.3	15.8	- 0.3	100.0	96.9	3.1	100.0
1958.....	24.5	71.8	13.2	58.6	-15.1	16.3	2.5	100.0	104.8	- 4.8	100.0
1959.....	18.7	71.6	13.6	58.0	- 7.7	20.0	- 2.6	100.0	95.1	4.9	100.0
1960.....	21.6	74.1	11.8	62.3	-10.1	16.4	- 2.0	100.0	94.2	5.8	100.0
1961.....	23.2	79.5	11.4	68.1	-15.1	13.7	- 1.3	100.0	99.5	0.5	100.0
1962.....	30.9	77.8	12.5	65.3	-11.4	11.0	- 8.3	100.0	92.9	7.1	100.0
1963.....	31.2	77.1	13.1	64.0	- 8.5	6.2	- 6.0	100.0	93.4	6.6	100.0
1964.....	21.7	72.6	13.6	59.0	0.4	4.1	1.2	100.0	95.9	4.1	100.0
1965.....	26.6	64.4	11.7	52.7	2.8	9.8	- 3.6	100.0	91.8	8.2	100.0
1966.....	27.8	57.8	8.5	49.3	2.6	9.2	2.6	100.0	93.0	7.0	100.0
1967.....	31.1	62.6	8.0	54.5	1.2	5.2	- 0.1	100.0	98.2	1.8	100.0
1968.....	30.2	65.4	11.3	54.1	6.0	2.5	- 4.1	100.0	95.1	4.9	100.0
(Seasonally adjusted at annual rates)											
1966 I.....	28.4	61.2	11.8	49.4	4.5	7.5	- 1.6	100.0	92.4	7.6	100.0
II.....	28.6	55.1	8.6	46.5	4.0	8.5	3.8	100.0	88.3	11.7	100.0
III.....	27.0	58.8	6.9	51.9	2.4	9.7	2.1	100.0	95.4	4.6	100.0
IV.....	27.2	56.5	6.8	49.6	- 0.6	10.9	6.0	100.0	96.2	3.8	100.0
1967 I.....	30.4	59.8	7.5	52.3	6.2	4.8	- 1.2	100.0	98.9	1.1	100.0
II.....	33.7	61.0	6.7	54.3	- 4.4	6.7	3.0	100.0	98.9	1.1	100.0
III.....	29.0	62.7	8.4	54.3	3.5	6.8	- 2.0	100.0	94.7	5.3	100.0
IV.....	31.4	67.3	9.7	57.6	- 0.5	2.3	- 0.5	100.0	100.7	- 0.7	100.0
1968 I.....	23.9	64.3	8.9	55.4	8.9	3.6	- 0.7	100.0	96.4	3.6	100.0
II.....	35.8	66.3	10.0	56.3	1.7	- 1.3	- 2.5	100.0	97.0	3.0	100.0
III.....	31.8	65.5	11.5	54.0	3.2	3.7	- 4.2	100.0	94.7	5.3	100.0
IV.....	29.4	65.6	14.5	51.1	9.7	3.7	- 8.4	100.0	92.5	7.5	100.0

⁽¹⁾See footnote (1) on reference table 57.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 59
INTERNATIONAL PAYMENTS: CURRENT ACCOUNT
1947 to 1968

Years and Quarters	Current Receipts:							
	Merchandise Exports (Adjusted)	Gold Production Available for Export	Travel Expenditures	Interest and Dividends	Freight and Shipping	Inheritances and Immigrants' Funds	Other Current Receipts	Total Current Receipts
(Millions of dollars)								
1947.....	2,723	99	251	64	322	69	220	3,748
1948.....	3,030	119	279	70	336	84	229	4,147
1949.....	2,989	139	285	83	303	68	222	4,089
1950.....	3,139	163	275	94	284	57	218	4,230
1951.....	3,950	150	274	115	351	77	230	5,147
1952.....	4,339	150	275	152	383	85	289	5,673
1953.....	4,152	144	302	164	318	91	322	5,493
1954.....	3,934	155	305	147	313	89	305	5,248
1955.....	4,332	155	328	161	398	86	399	5,859
1956.....	4,837	147	337	142	457	99	456	6,475
1957.....	4,894	144	363	153	445	124	406	6,529
1958.....	4,890	157	349	167	401	97	391	6,452
1959.....	5,151	148	391	180	420	109	414	6,813
1960.....	5,392	162	420	171	442	102	447	7,136
1961.....	5,889	162	452	213	486	104	452	7,788
1962.....	6,387	155	562	202	509	124	484	8,423
1963.....	7,082	154	609	230	563	151	500	9,289
1964.....	8,238	145	662	332	644	169	557	10,747
1965.....	8,745	138	747	322	668	216	645	11,481
1966.....	10,326	127	840	318	758	268	759	13,396
1967.....	11,387	112	1,304	294	845	337	806	15,085
1968.....	13,597	112	992	339	919	371	776	17,106
(Seasonally adjusted at annual rates)								
1966 I.....	9,816	132	840	320	716	232	728	12,784
II.....	9,940	120	840	356	728	260	752	12,996
III.....	10,640	128	836	280	792	284	780	13,740
IV.....	10,908	128	844	316	796	296	776	14,064
1967 I.....	11,448	124	952	320	832	320	844	14,840
II.....	11,504	116	1,484	236	848	348	776	15,312
III.....	10,712	104	1,744	312	832	352	808	14,864
IV.....	11,884	104	1,036	308	868	328	796	15,324
1968 I.....	13,148	112	944	300	916	304	736	16,460
II.....	13,492	116	1,064	360	928	368	776	17,104
III.....	13,436	108	1,016	380	908	424	788	17,060
IV.....	14,312	112	944	316	924	388	804	17,800

REFERENCE TABLE 59 (Continued)
 INTERNATIONAL PAYMENTS: CURRENT ACCOUNT
 1947 to 1968

Years and Quarters	Current Payments:							
	Merchandise Imports (Adjusted)	Travel Expenditures	Interest and Dividends	Freight and Shipping	Inheritances and Emigrants' Funds	Official Contributions	Other Current Payments ⁽¹⁾	Total Current Payments
(Millions of dollars)								
1947.....	2,535	167	337	278	49	38	295	3,699
1948.....	2,598	134	325	279	50	23	287	3,696
1949.....	2,696	193	390	253	59	6	315	3,912
1950.....	3,132	226	475	301	61	5	349	4,549
1951.....	4,101	280	452	354	70	9	393	5,659
1952.....	3,854	341	413	375	94	16	393	5,486
1953.....	4,212	365	406	374	96	25	463	5,941
1954.....	3,916	389	424	366	99	11	477	5,672
1955.....	4,543	449	473	415	116	24	526	6,546
1956.....	5,565	498	524	502	131	30	597	7,847
1957.....	5,488	525	594	515	157	40	661	7,980
1958.....	5,066	542	614	460	159	53	695	7,589
1959.....	5,572	598	671	525	165	72	697	8,300
1960.....	5,540	627	656	533	184	61	768	8,369
1961.....	5,716	642	764	568	176	56	794	8,716
1962.....	6,203	605	783	595	175	36	856	9,253
1963.....	6,579	585	880	648	185	65	888	9,810
1964.....	7,537	712	1,010	679	201	69	963	11,171
1965.....	8,627	796	1,086	761	211	93	1,037	12,611
1966.....	10,102	900	1,140	823	198	166	1,229	14,558
1967.....	10,906	877	1,190	884	213	181	1,377	15,628
1968.....	12,302	1,000	1,310	941	220	133	1,381	17,287
(Seasonally adjusted at annual rates)								
1966 I.....	9,516	876	1,056	800	180	n.a.	1,276	13,704
II.....	9,856	892	1,104	816	192	n.a.	1,276	14,136
III.....	10,304	944	1,100	836	208	n.a.	1,528	14,920
IV.....	10,732	888	1,300	840	212	n.a.	1,500	15,472
1967 I.....	10,760	936	1,064	888	208	n.a.	1,520	15,376
II.....	11,198	848	1,188	888	208	n.a.	1,736	16,056
III.....	10,964	820	1,276	868	224	n.a.	1,452	15,604
IV.....	10,712	904	1,232	892	212	n.a.	1,524	15,476
1968 I.....	12,052	944	1,252	952	204	n.a.	1,428	16,832
II.....	11,820	928	1,368	936	212	n.a.	1,520	16,784
III.....	12,168	1,116	1,384	920	232	n.a.	1,544	17,364
IV.....	13,168	1,012	1,236	956	232	n.a.	1,564	18,168

⁽¹⁾Includes official contributions from 1966 to 1968 quarterly.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments, Quarterly, Cat. 67-001, Occasional, Cat. 67-505.

REFERENCE TABLE 60
NET BALANCES ON SELECTED NON-MERCHANDISE ACCOUNTS
1947 to 1968

Years and Quarters	Travel Expenditures			Inheritances and Migrants' Funds			Freight and Shipping	Interest and Dividends
	United States	Rest of World	All Countries	United States	Rest of World	All Countries	All Countries	All Countries
(Millions of dollars)								
1947.....	89	- 5	84	-19	39	20	44	-273
1948.....	154	- 9	145	-19	53	34	57	-255
1949.....	102	-10	92	-26	35	9	50	-307
1950.....	67	-18	49	-16	12	- 4	-17	-381
1951.....	12	-18	- 6	-23	30	7	- 3	-337
1952.....	-37	-29	-66	-39	30	- 9	8	-261
1953.....	-25	-38	-63	-37	32	- 5	-56	-242
1954.....	-37	-47	-84	-36	26	-10	-43	-277
1955.....	-60	-61	-121	-45	15	-30	-17	-312
1956.....	-82	-79	-161	-63	31	-32	-45	-382
1957.....	-78	-84	-162	-77	44	-33	-70	-441
1958.....	-104	-89	-193	-57	- 5	-62	-59	-447
1959.....	-97	-110	-207	-71	15	-56	-105	-491
1960.....	-87	-120	-207	-92	10	-82	-91	-485
1961.....	-24	-136	-160	-85	13	-72	-82	-551
1962.....	93	-136	-43	-78	27	-51	-86	-581
1963.....	161	-137	24	-87	53	-34	-85	-630
1964.....	109	-159	-50	-80	48	-32	-35	-678
1965.....	112	-161	-49	-69	74	5	-93	-164
1966.....	102	-162	-60	-39	109	70	-65	-822
1967.....	549	-122	427	n.a.	n.a.	124	-39	-896
1968.....	198	-206	- 8	n.a.	n.a.	151	-22	-971
(Seasonally adjusted at annual rates)								
1966 I.....	n.a.	n.a.	-36	n.a.	n.a.	52	-84	-736
II.....	n.a.	n.a.	-52	n.a.	n.a.	68	-88	-748
III.....	n.a.	n.a.	-108	n.a.	n.a.	76	-44	-820
IV.....	n.a.	n.a.	-44	n.a.	n.a.	84	-44	-984
1967 I.....	n.a.	n.a.	16	n.a.	n.a.	112	-56	-744
II.....	n.a.	n.a.	636	n.a.	n.a.	140	-40	-952
III.....	n.a.	n.a.	924	n.a.	n.a.	128	-36	-964
IV.....	n.a.	n.a.	132	n.a.	n.a.	116	-24	-924
1968 I.....	n.a.	n.a.	—	n.a.	n.a.	100	-36	-952
II.....	n.a.	n.a.	136	n.a.	n.a.	156	- 8	-1,008
III.....	n.a.	n.a.	-100	n.a.	n.a.	192	-12	-1,004
IV.....	n.a.	n.a.	-68	n.a.	n.a.	156	-32	-920

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 61
SUMMARY OF BALANCE OF PAYMENTS
1947 to 1968

Years and Quarters	Merchandise Trade Balance	Deficit on Non- Merchandise Transactions ⁽¹⁾	Current Account Balance ⁽¹⁾	Gold Production Available for Export	Capital Movements Inflows and Outflows (—):		Total	of which:		
					Long- term Forms	Short- term Forms		Increase or Decrease (—) in Official Holdings of Gold and Foreign Exchange	Net Inter- national Monetary Fund Position	Reci- procal Swap Facility With Federal Reserve System
(Millions of dollars)										
1947.....	188	-238	- 50	99	-721	4	-668	-742	74	—
1948.....	432	-100	332	119	43	- 2	492	492	—	—
1949.....	293	-255	38	139	- 29	- 20	128	128	—	—
1950.....	7	-489	-482	163	610	431	722	722	—	—
1951.....	-151	-511	-662	150	666	- 98	56	56	—	—
1952.....	485	-448	37	150	455	-605	37	37	—	—
1953.....	- 60	-532	-592	144	649	-239	- 38	- 38	—	—
1954.....	18	-597	-579	155	599	- 51	124	124	—	—
1955.....	-211	-631	-842	155	414	229	- 44	- 44	—	—
1956.....	-728	-791	-1,519	147	1,490	- 70	48	35	15	—
1957.....	-594	-1,001	-1,595	144	1,320	26	-105	-105	—	—
1958.....	-176	-1,118	-1,294	157	1,153	93	109	109	—	—
1959.....	-421	-1,214	-1,635	148	1,179	297	- 11	- 70	59	—
1960.....	-148	-1,247	-1,395	162	929	265	- 39	- 39	—	—
1961.....	173	-1,263	-1,090	162	930	288	290	229	61	—
1962.....	184	-1,169	-985	155	688	297	155	537	-378	-4 ⁽²⁾
1963.....	503	-1,178	-675	154	637	30	146	60	86	—
1964.....	701	-1,270	-569	145	820	-33	363	86	277	—
1965.....	118	-1,386	-1,268	138	864	423	157	- 11	168	—
1966.....	224	-1,513	-1,289	127	1,061	-258	-359	-462	103	—
1967.....	481	-1,136	-655	112	1,339	-778	18	34	- 16	—
1968.....	1,295	-1,588	-293	112	1,544	-1,010	353	604	-249	-2 ⁽²⁾
(Not seasonally adjusted)										
1966 I.....	10	-431	-421	34	465	-216	-138	-166	28	—
II.....	- 49	-360	-409	29	214	49	-117	-181	64	—
III.....	223	-222	1	32	239	-357	- 85	-105	20	—
IV.....	40	-500	-460	32	143	266	- 19	- 10	- 9	—
1967 I.....	98	-464	-366	32	277	44	- 13	- 35	22	—
II.....	6	-314	-308	28	256	- 30	- 54	- 37	- 17	—
III.....	86	90	176	26	301	-447	56	55	1	—
IV.....	291	-448	-157	26	505	-345	29	51	- 22	—
1968 I.....	231	-508	-277	29	112	-629	-765	- 23	-471	-271
II.....	355	-387	- 32	28	721	- 97	620	355	130	135
III.....	467	-193	274	27	392	-532	161	- 43	70	134
IV.....	242	-500	-258	28	319	248	337	315	22	—

⁽¹⁾Excluding gold production available for export.

⁽²⁾Represent differences in Canadian dollar equivalents as between receipt and repayment of special international assistance, denominated in US dollars, including, in 1962, a swap with the UK authorities.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 62
 INTERNATIONAL PAYMENTS: CAPITAL MOVEMENTS
 1947 to 1968

Years and Quarters	Direct Investment in Canada	Direct Investment Abroad	Canadian Securities:				Foreign Securities (Total)	Loans and Capital Subscriptions by Government of Canada		Columbia River Treaty Net	Long-Term Capital Transactions not included elsewhere ⁽¹⁾
			Trade in Outstanding Bonds and Debentures	Trade in Outstanding Common and Preference Stocks	New Issues	Retirements		Advances, etc.	Repayments to Canada		
(Millions of dollars)											
1947.....	61	6	—	-13	95	-364	5	-598	111	—	-24
1948.....	71	15	—	3	150	-114	-8	-142	80	—	-12
1949.....	94	13	—	8	105	-147	20	-126	18	—	-14
1950.....	225	35	—	329	210	-284	76	-50	74	—	-5
1951.....	320	-30	—	38	411	-184	15	—	68	—	28
1952.....	360	-85	-168	73	323	-89	-11	—	56	—	-4
1953.....	450	-70	-52	21	335	-146	-1	—	87	—	25
1954.....	425	-90	-66	129	333	-205	-24	—	72	—	25
1955.....	445	-85	-165	137	166	-185	-5	—	69	—	37
1956.....	650	-105	11	187	667	-141	-3	-4	69	—	159
1957.....	545	-80	-45	142	800	-134	1	-1	50	—	42
1958.....	430	-40	—	88	688	-158	1	-34	64	—	1,114
1959.....	570	-85	92	110	709	-258	-34	-1	34	—	42
1960.....	670	-50	3	51	448	-266	-19	-11	32	—	71
1961.....	560	-80	61	39	548	-301	-35	-8	38	—	108
1962.....	505	-105	64	-115	729	-319	-65	-22	129	—	-113
1963.....	280	-135	39	-170	984	-404	22	-18	25	—	14
1964.....	270	-95	77	-98	1,100	-382	-52	-10	10	54	-54
1965.....	535	-125	55	-274	1,240	-390	-85	-14	10	32	-120
1966.....	710	-5	-104	-136	1,465	-499	-401	-35	24	32	10
1967.....	620	-90	-56	12	1,300	-338	-418	-38	34	44	269
1968.....	585	-170	-70	112	1,961	-395	-464	-78	5	88	-30
(Not seasonally adjusted)											
1966 I.....	134	-22	-12	-14	577	-116	-79	-6	2	—	1
II.....	203	-29	-25	-44	357	-165	-126	-3	2	—	44
III.....	151	80	-52	-34	303	-87	-103	-9	1	—	-11
IV.....	222	-34	-15	-44	228	-131	-93	-17	19	32	-24
1967 I.....	138	-30	-10	-53	317	-58	-74	-3	11	—	39
II.....	164	-7	-22	-17	291	-131	-70	-3	2	—	49
III.....	143	-25	-10	30	274	-48	-142	-9	1	—	87
IV.....	175	-28	-14	52	418	-101	-132	-23	20	44	94
1968 I.....	10	-85	-53	15	416	-126	-87	-10	2	—	30
II.....	205	10	-11	34	712	-121	-127	-8	2	—	25
III.....	185	-15	-13	10	488	-39	-132	-16	1	—	-77
IV.....	185	-80	7	53	345	-109	-118	-44	—	88	-8

REFERENCE TABLE 62 (Continued)
INTERNATIONAL PAYMENTS: CAPITAL MOVEMENTS
1947 to 1968

Years and Quarters	Change in Certain Canadian Assets of Foreigners:						Bank Balances and Other Short-term Funds Abroad	All Other Transactions	Net Capital Movements Excluding Monetary Items Shown in the following Columns	Official Monetary Movements in the Form of:		
	Canadian Dollar Deposits	Government of Canada Demand Liabilities	Canadian Treasury Bills	Short-term Funds		Canadian Finance Company Obligations not included elsewhere				Change in the Official Holdings of Gold and Foreign Exchange	Change in Net International Monetary Fund Position	Other Special International Financial Assistance
				Canadian Commercial Paper	Canadian Finance Paper							
(Millions of dollars)												
1947.....	-26	33	—	— ⁽²⁾	— ⁽²⁾	— ⁽²⁾	-8	5	-717	-742	74	—
1948.....	-21	—	—	—	—	—	-2	21	41	492	—	—
1949.....	33	—	8	—	—	—	-2	-59	-49	128	—	—
1950.....	235	-4	-3	—	—	—	11	192	1,041	722	—	—
1951.....	-190	-8	2	—	—	—	-14	112	568	56	—	—
1952.....	-66	-5	1	— ⁽³⁾	— ⁽³⁾	35	-165	-405	-150	37	—	—
1953.....	-22	-11	-2	—	—	-2	-80	-122	410	-38	—	—
1954.....	27	-15	8	—	—	10	-75	-6	548	124	—	—
1955.....	60	-9	29	—	—	23	91	35	643	-44	—	—
1956.....	-30	—	3	—	—	64	-216	109	1,420	33	15	—
1957.....	-15	—	-18	—	—	4	-274	329	1,346	-105	—	—
1958.....	39	45	21	—	—	24	-68	22	1,246	109	—	—
1959.....	10	-8	14	—	—	68	-119	332	1,476	-70	59	—
1960.....	79	-12	56	—	—	59	-60	143	1,194	-39	—	—
1961.....	33	-2	-58	—	—	95	140	80	1,218	229	61	—
1962.....	-10	-4	4	—	—	119	93	95	985	537	-378	-4 ⁽⁴⁾
1963.....	43	1	-27	-23	93	35	-258	166	667	60	86	—
1964.....	28	—	-16	-11	196	52	-528	246	787	86	277	—
1965.....	31	2	12	10	-162	209	138	183	1,287	-11	168	—
1966.....	10	5	-15	—	-4	154	-601	193	803	-462	103	—
1967.....	24	-4	4	11	-54	34	-286	-507	561	34	-16	—
1968.....	70	21	48	-11	-135	19	-373	-649	534	604	-249	-2 ⁽⁴⁾
(Not seasonally adjusted)												
1966 I.....	-15	-6	-8	-12	27	34	-171	-72	249	-166	28	—
II.....	-8	-2	—	-5	-5	-11	-16	81	263	-181	64	—
III.....	21	5	2	12	-55	44	-317	-57	-118	-105	20	—
IV.....	12	8	-9	5	29	87	-97	241	409	-10	-9	—
1967 I.....	48	-6	15	-6	7	-17	332	-329	321	-35	22	—
II.....	-59	-7	8	5	-24	11	44	-8	226	-37	-17	—
III.....	7	-2	-17	1	-55	-31	-311	-39	-146	55	1	—
IV.....	28	11	-2	11	18	71	-315	-131	160	51	-22	—
1968 I.....	8	-4	23	7	-60	-7	-125	-471	-517	-23	-471	-271
II.....	4	-3	1	-17	-35	-6	27	-68	624	355	130	135
III.....	4	1	11	2	-37	-1	-149	-363	-140	-43	70	134
IV.....	54	27	13	-3	-3	33	-126	253	567	315	22	—

⁽¹⁾From 1947 to 1961, includes export credits extended from Canada directly or indirectly at risk of the Government of Canada.

⁽²⁾Included in "all other transactions" from 1947 to 1951.

⁽³⁾Included in "Canadian finance company obligations n.i.e." from 1952 to 1962.

⁽⁴⁾Represent differences in Canadian dollar equivalents as between receipt and repayment of special international assistance, denominated in U.S. dollars, including, in 1962, a swap with the U.K. authorities.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 63

NET PROCEEDS FROM NEW ISSUES OF CANADIAN BONDS AND DEBENTURES TO NON-RESIDENTS

1947 to 1968

Years and Quarters	Government of Canada (Including Guaranteed)			Provincial Governments (Including Guaranteed)			Municipal Governments		
	New Issues	Retire-ments	Net Proceeds	New Issues	Retire-ments	Net Proceeds	New Issues	Retire-ments	Net Proceeds
(Millions of dollars)									
1947.....	n.a.	39	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1948.....	150	36	114	—	n.a.	n.a.	—	n.a.	n.a.
1949.....	99	96	3	—	n.a.	n.a.	6	n.a.	n.a.
1950.....	62	159	-97	96	n.a.	n.a.	20	n.a.	n.a.
1951.....	7	94	-87	262	43	219	72	12	60
1952.....	1	18	-17	107	38	69	55	17	38
1953.....	6	84	-78	143	28	115	76	15	61
1954.....	8	69	-61	126	63	63	46	28	18
1955.....	5	100	-95	3	19	-16	44	18	26
1956.....	9	83	-74	224	15	209	112	18	94
1957.....	16	29	-13	136	25	111	123	24	99
1958.....	76	25	51	168	45	123	148	30	118
1959.....	56	101	-45	334	41	293	157	33	124
1960.....	30	58	-28	103	57	46	135	38	97
1961.....	37	48	-11	66	24	42	47	38	9
1962.....	156	86	70	148	22	126	74	41	33
1963.....	173	76	97	343	70	273	62	77	-15
1964.....	43	88	-45	439	66	373	182	53	129
1965.....	28	85	-57	297	31	266	84	53	31
1966.....	32	203	-171	448	65	384	177	96	81
1967.....	20	95	-75	760	61	699	163	53	110
1968.....	288	59	229	898	73	825	130	61	69
(Not seasonally adjusted)									
1966 I.....	4	54	-50	126	24	162	60	13	47
II.....	10	80	-70	168	15	153	52	16	36
III.....	12	43	-31	95	13	82	5	11	-6
IV.....	6	26	-20	59	13	46	60	56	4
1967 I.....	3	3	—	217	22	195	56	11	45
II.....	4	63	-59	242	24	218	6	12	-6
III.....	4	—	4	118	5	113	52	8	44
IV.....	9	29	-20	183	10	173	49	22	27
1968 I.....	4	11	-7	240	21	219	46	16	30
II.....	255	30	225	180	19	161	34	11	23
III.....	4	—	4	279	8	271	25	11	14
IV.....	25	18	7	199	25	174	25	23	2

REFERENCE TABLE 63 (Continued)

NET PROCEEDS FROM NEW ISSUES OF CANADIAN BONDS AND DEBENTURES TO NON-RESIDENTS
1947 to 1968

Years and Quarters	Total Governments			Corporations (Including Railroads)			Total		
	New Issues	Retire- ments	Net Proceeds	New Issues	Retire- ments	Net Proceeds	New Issues	Retire- ments	Net Proceeds
(Millions of dollars)									
1947.....	n.a.	39	n.a.	n.a.	n.a.	n.a.	95	n.a.	n.a.
1948.....	150	36	114	—	n.a.	n.a.	150	n.a.	n.a.
1949.....	105	96	9	—	n.a.	n.a.	105	n.a.	n.a.
1950.....	178	159	19	28	n.a.	n.a.	206	n.a.	n.a.
1951.....	341	149	192	28	n.a.	n.a.	369	n.a.	n.a.
1952.....	163	73	90	136	15	121	299	88	211
1953.....	225	127	98	64	13	51	289	140	149
1954.....	180	160	20	133	35	98	313	195	118
1955.....	52	137	-85	51	41	10	103	178	-75
1956.....	345	116	229	252	20	232	597	136	461
1957.....	275	78	197	464	31	433	739	109	630
1958.....	392	100	292	253	42	211	645	142	503
1959.....	547	175	372	114	66	48	661	241	420
1960.....	268	153	115	154	104	50	422	257	165
1961.....	150	110	40	354	136	218	504	246	258
1962.....	378	149	229	331	140	191	709	289	420
1963.....	578	223	355	392	101	291	970	324	646
1964.....	664	207	457	414	117	297	1,078	324	754
1965.....	409	169	240	807	214	593	1,216	383	833
1966.....	657	364	293	751	131	620	1,408	495	913
1967.....	943	209	734	312	129	183	1,255	338	917
1968.....	1,316	193	1,123	573	201	372	1,889	394	1,495
(Not seasonally adjusted)									
1966 I.....	190	91	99	341	24	317	531	115	416
II.....	230	111	119	124	53	71	354	164	190
III.....	112	67	45	187	18	169	299	85	214
IV.....	125	95	30	99	36	63	224	131	93
1967 I.....	276	36	240	30	22	8	306	58	248
II.....	252	99	153	31	32	— 1	283	131	152
III.....	174	13	161	93	35	58	267	48	219
IV.....	241	61	180	158	40	118	399	101	298
1968 I.....	290	48	242	117	78	39	407	126	281
II.....	469	60	409	233	61	172	702	121	581
III.....	308	19	289	152	20	132	460	39	421
IV.....	249	66	183	71	42	29	320	108	212

SOURCE: DBS Sales and Purchases of Securities Between Canada and Other Countries, Monthly, Cat. 67-002.

REFERENCE TABLE 64
CANADIAN CHARTERED BANKS' HEAD OFFICES AND BRANCHES IN CANADA
NET CHANGE IN FOREIGN CURRENCY POSITIONS^{a)}

1966 to 1968

(Not seasonally adjusted)

	1966	1967	1968	1967				1968						
				(Millions of dollars)				(Millions of dollars)						
				I	II	III	IV	I	II	III	IV			
With U.S. residents:														
Assets.....	208	273	169	-366	116	254	269	-207	247	210	-81			
Liabilities.....	-309	76	-296	12	7	-103	100	-98	38	-145	-91			
Net.....	517	197	465	-378	109	357	109	-109	209	355	10			
Other non-residents:														
Assets.....	-2	391	744	3	165	-104	327	223	40	95	386			
Liabilities.....	-48	188	792	-123	215	21	75	48	197	273	274			
Net.....	-50	203	-48	126	-50	-125	252	175	-157	-178	112			
Total non-residents:														
Assets.....	206	664	913	-363	281	150	596	16	287	305	305			
Liabilities.....	-261	264	496	-111	222	-82	235	-50	235	128	183			
Net claims (c).....	467	400	417	-252	59	232	361	66	52	177	122			
With Canadian residents:														
Assets (b).....	84	-110	-54	-19	-73	-1	-17	-29	-22	-7	4			
Liabilities (a) ¹⁾	401	364	88	-189	31	146	438	35	-90	104	39			
(of which swapped deposits).....	(187)	(165)	(-141)	(-145)	(-11)	(88)	(233)	(-164)	(-161)	(166)	(18)			
Net.....	-317	-474	-142	170	-42	-147	-455	-64	68	-111	-35			
Changes in banks' own position (a) ²⁾	150	-74	275	-82	17	85	-94	2	120	66	87			

^{a)} Adjusted for variations in exchange rates.

Balance of payments effects:

(a)¹⁾ + (a)²⁾ with sign reversed, is major component of D.17. 1, "bank balances and other short-term funds-abroad" as follows:

-(a) ¹⁾ + (a) ²⁾	-551	-290	-363	271	14	-231	-344	-37	-30	-170	-126
D.17.1.....	-601	-286	-373	332	44	-311	-351	-125	27	-149	-126

(b) is divided between D.17.5 and D.13, respectively short and long-term residual capital items.

(c) with sign reversed is net balance of payments effect of banks foreign-currency operations.

SOURCE: Department of Finance.

REFERENCE TABLE 65
FINANCING OF CANADA'S BILATERAL ACCOUNT WITH THE UNITED STATES.
1947 to 1968

Years and Quarters	Transactions with U.S. (Excluding International Financial Agencies):		Net Amount to be Financed by Other Transactions	Other Transactions:			Increase(—) in Canadian Holdings of Gold and Foreign Exchange	Change in Canada's Position with the International Monetary Fund ⁽¹⁾	Reciprocal Swap Facility with Federal Reserve System	Total Financing
	Current Account Deficit (Excluding Gold)	Capital Inflow from U.S.		Current Account Surplus with Rest of World	Net Capital Movement from or to Rest of World	New Gold Production Available for Export				
	(Millions of dollars)									
1947.....	-1,233	-163	-1,396	1,183	-554	99	742	- 74	—	1,396
1948.....	- 512	111	-401	844	- 70	119	-492	—	—	401
1949.....	- 740	64	-676	778	-113	139	-128	—	—	676
1950.....	- 548	946	-398	66	95	163	-722	—	—	398
1951.....	-1,095	556	-539	433	12	150	- 56	—	—	539
1952.....	- 980	-106	-1,086	1,017	- 44	150	- 37	—	—	1,086
1953.....	-1,051	199	-852	459	211	144	38	—	—	852
1954.....	- 955	379	-576	376	169	155	-124	—	—	576
1955.....	-1,184	366	-818	342	277	155	44	—	—	818
1956.....	-1,797	891	-906	278	529	147	- 33	- 15	—	906
1957.....	-1,723	942	-781	128	404	144	105	—	—	781
1958.....	-1,324	1,045	-279	30	201	157	-109	—	—	279
1959.....	-1,369	1,312	- 57	-266	164	148	70	- 59	—	57
1960.....	-1,521	974	-547	126	220	162	39	—	—	547
1961.....	-1,503	1,311	-192	413	- 93	162	-229	- 61	—	192
1962.....	-1,247	1,073	-174	262	- 88	155	-537	378	4 ⁽²⁾	174
1963.....	-1,302	829	-473	627	-162	154	- 60	- 86	—	473
1964.....	-1,780	1,639	-141	1,211	-852	145	- 86	-277	—	141
1965.....	-2,075	437	-1,638	807	850	138	11	-168	—	1,638
1966.....	-2,157	1,059	-1,098	868	-256	127	462	-103	—	1,098
1967.....	-1,491	336	-1,155	836	225	112	- 34	16	—	1,155
1968.....	-1,069	- 66	-1,135	776	600	112	-604	249	2 ⁽²⁾	1,135
	(Not seasonally adjusted)									
1966 I.....	-640	544	- 96	201	-277	34	166	- 28	—	96
II.....	-634	265	-369	230	- 7	29	181	- 64	—	369
III.....	-215	32	-183	226	-158	30	105	- 20	—	183
IV.....	-658	199	-459	219	189	32	10	9	—	459
1967 I.....	-605	370	-235	257	- 67	32	35	- 22	—	235
II.....	-528	38	-490	252	155	28	37	17	—	490
III.....	27	-241	-214	149	95	26	- 55	- 1	—	214
IV.....	-356	145	-211	199	15	26	- 51	22	—	211
1968 I.....	-489	-364	-853	212	-153	29	23	471	271	853
II.....	-317	156	-161	285	468	28	-355	-130	-135	161
III.....	93	-449	-356	181	309	27	43	- 70	-134	356
IV.....	-356	591	235	98	- 24	28	-315	- 22	—	-235

⁽¹⁾Improvement (-) in Canadian position represents net provision of resources by Canada to the IMF.

⁽²⁾Represent differences in Canadian dollar equivalents as between receipt and repayment of special international assistance, denominated in US dollars, including, in 1962, a swap with the UK authorities.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 66

CANADA'S RESERVE POSITION WITH THE INTERNATIONAL MONETARY FUND⁽¹⁾⁽²⁾
1946 to 1968

Years and Quarters	Increase in Gold Subscriptions	Drawings by Canada (-)	Repurchases (Repayments of Drawings) by Canada	Net Fund Sales or Repurchases (-) of Canadian Dollars to or from Third Countries	Fund Sales of Gold for Canadian Dollars	Reserve Position at end of Period ⁽³⁾
(Millions of U.S. dollars)						
1946.....	1.0	—	—	—	—	1.0
1947.....	74.0	—	—	—	—	75.0
1956.....	—	—	—	15.0	—	90.0
1958.....	—	—	—	-0.1	—	90.0
1959.....	62.5	—	—	—	—	152.5
1961.....	—	—	—	84.6	25.0	212.1
1962.....	—	-300.0	—	-50.3	—	-138.2
1963.....	—	—	79.7	—	—	-58.5
1964.....	—	—	166.0	99.0	-9.0	197.5
1965.....	—	—	—	183.4	-27.5	353.4
1966.....	47.5	—	—	47.6	—	448.5
1967.....	—	—	—	-15.1	—	433.4
1968.....	—	-426.0 ⁽⁴⁾	64.8	131.2	—	206.2 ⁽⁵⁾
(Not seasonally adjusted)						
1966 I.....	—	—	—	25.5	—	378.9
II.....	47.5	—	—	11.9	—	438.3
III.....	—	—	—	18.7	—	457.0
IV.....	—	—	—	-8.5	—	448.5
1967 I.....	—	—	—	20.0	—	468.5
II.....	—	—	—	-16.1	—	452.4
III.....	—	—	—	1.2	—	453.7
IV.....	—	—	—	-20.3	—	433.4
1968 I.....	—	-426.0 ⁽⁴⁾	—	-7.3	—	0.1
II.....	—	—	—	121.0	—	121.1
III.....	—	—	64.8	—	—	185.9
IV.....	—	—	—	17.5	—	206.2 ⁽⁵⁾

NOTE: Fund borrowing under the General Arrangements to Borrow (GAB) does not affect the reserve position.

⁽¹⁾Only those years in which transactions take place are shown.⁽²⁾Columns may not cross-add due to rounding.⁽³⁾A negative figure indicates the amount by which the credit tranche position falls short of the quota.⁽⁴⁾Includes the Fund's repayment of its 1965 borrowing from Canada (\$35 million).⁽⁵⁾Includes \$2.8 million, representing Canada's share in IMF dividend paid to members in their own currencies.SOURCE: IMF *International Financial Statistics*, Monthly.

REFERENCE TABLE 67
 OFFICIAL HOLDINGS OF GOLD AND UNITED STATES DOLLARS
 Monthly
 1966 to 1969

End of period	Gold	U.S. Dollars	Total	Net I.M.F. Position ⁽¹⁾	Grand Total
(Millions of U.S. dollars)					
1966 J.....	1,112.8	1,449.6	2,562.4	276.4	2,838.8
F.....	1,076.5	1,471.1	2,547.6	246.2	2,793.8
M.....	1,085.6	1,424.2	2,509.8	241.4	2,751.2
A.....	1,096.0	1,373.1	2,469.1	254.8	2,723.9
M.....	1,090.7	1,351.5	2,412.2	263.5	2,676.0
J.....	1,024.2	1,317.6	2,341.8	253.3	2,595.1
J.....	986.2	1,329.2	2,315.4	255.3	2,570.7
A.....	996.7	1,284.3	2,281.0	261.8	2,542.8
S.....	1,008.7	1,235.6	2,242.3	272.0	2,516.3
O.....	1,020.5	1,202.7	2,223.2	272.1	2,495.3
N.....	1,033.7	1,208.4	2,242.1	267.5	2,509.6
D.....	1,045.6	1,190.3	2,235.9	263.5	2,499.4
1967 J.....	1,055.9	1,182.3	2,238.2	283.5	2,521.7
F.....	1,069.6	1,124.6	2,194.2	283.5	2,477.7
M.....	1,083.5	1,119.9	2,203.4	283.5	2,486.9
A.....	1,042.3	1,145.9	2,188.2	280.1	2,468.3
M.....	1,052.9	1,141.7	2,194.6	263.5	2,458.1
J.....	1,066.3	1,102.4	2,168.7	267.4	2,436.1
J.....	1,073.5	1,109.1	2,182.6	265.9	2,448.5
A.....	1,085.7	1,112.1	2,197.8	263.7	2,461.5
S.....	1,099.3	1,121.5	2,220.8	268.7	2,489.5
O.....	1,103.8	1,199.6	2,303.4	266.7	2,570.1
N.....	1,110.0	1,166.9	2,276.9	248.4	2,525.3
D.....	1,014.9	1,262.9	2,267.8	248.4	2,516.2
1968 J.....	1,024.8	1,150.5	2,175.3	243.2	2,418.5
F.....	1,026.2	1,463.8	2,490.0	-184.9	2,305.1
M.....	976.1	1,268.3	2,244.4	-184.9	2,079.5
A.....	976.1	1,439.5	2,415.6	-184.9	2,230.7
M.....	926.3	1,768.7	2,695.0	-184.9	2,510.1
J.....	926.3	1,647.7	2,574.0	-63.9	2,510.1
J.....	926.3	1,588.3	2,514.6	-63.9	2,450.7
A.....	926.3	1,663.2	2,589.5	-63.9	2,525.6
S.....	863.1	1,671.0	2,534.1	0.9	2,535.0
O.....	863.1	1,662.2	2,525.3	3.7	2,529.0
N.....	863.1	1,809.3	2,672.4	11.2	2,683.6
D.....	863.1	1,963.7	2,826.8	21.2	2,848.0
1969 J.....	863.1	2,001.4	2,864.5	27.2	2,891.7
F.....	863.1	1,957.0	2,820.1	27.2	2,847.3
M.....	863.1	1,916.2	2,779.3	36.2	2,815.5
A.....	863.1	1,919.2	2,782.3	46.2	2,828.5

⁽¹⁾A negative sign indicates a net debtor position with the International Monetary Fund.

SOURCE: Department of Finance.

REFERENCE TABLE 68
DETAILS OF NEW ISSUES AND RETIREMENTS OF GOVERNMENT OF CANADA
DIRECT AND GUARANTEED MARKETABLE BONDS FROM JANUARY 1, 1968 TO APRIL 15, 1969
(Millions of dollars par value)

Date	Retirements	Amount	Sub-Total	New Bonds	Amount Delivered	Sub-Total	Net Change in Amount Outstanding	Term of New Bonds	Yield to Maturity
January 15.....	4 1/2% Jan. 15, 1968 5 1/4% Jan. 15, 1968	303 97	400	6% Feb. 15, 1970 6% Dec. 15, 1971	250 200	450	+50	2 yrs. 1 mo. 3 yrs. 11 mos.	6.20 6.44
April 1.....	4 1/2% Apr. 1, 1968 2 1/2% June 15, 1968 4 1/2% June 15, 1968 5 1/2% Oct. 1, 1968 4 1/2% Dec. 15, 1968	175 24 25 26 25	275	5 1/2% Apr. 1, 1969 7% Apr. 1, 1973	60 215 ⁽¹⁾	275	—	1 yr. 5 yrs.	7.03 7.30
April 3.....	5 1/2% Aug. 1, 1980 ⁽²⁾	9	9				-9		
April 15.....	5% Oct. 15, 1987 ⁽²⁾	1	1				-1		
May 15.....	CNR 5% May 15, 1968	56	56	5 1/2% May 15, 1970 5 1/2% May 15, 1971 6% May 15, 1972	35 36 37	108 ⁽⁴⁾	-56 +108	2 yrs. 3 yrs. 4 yrs.	5.75 5.87 6.00
May 24.....				6 1/2% June 1, 1973	68	68 ⁽⁵⁾	+68	5 yrs. 7 days	6.87
June 1.....				6 1/2% June 1, 1988	78	78 ⁽⁶⁾	+78	20 yrs.	6.90
June 15.....	2 1/2% June 15, 1968 4 1/2% June 15, 1968 5% Oct. 1, 1968	285 135 75	495	6 1/2% July 1, 1969 7% Oct. 1, 1970 7% June 15, 1974	75 275 250 ⁽⁷⁾	600	+105	1 yr. 1/2 mo. 2 yrs. 3 1/2 mos. 6 yrs.	7.00 7.11 7.26
August 1.....				6 1/2% Dec. 15, 1969 6 1/2% Oct. 1, 1970 7% Apr. 1, 1973	35 105 260 ⁽⁸⁾	400	+400	1 yr. 4 1/2 mos. 2 yrs. 2 mos. 4 yrs. 8 mos.	6.65 6.75 7.00
September 13.....	5% Oct. 1, 1968	100	100 ⁽⁹⁾				-100		
October 1.....	5% Oct. 1, 1968	260	260	6% Feb. 15, 1970 6 1/2% Oct. 1, 1971 6 1/2% Apr. 1, 1975 6 1/2% Oct. 1, 1995	35 200 200 100	535	+275	1 yr. 4 1/2 mos. 3 yrs. 6 yrs. 6 mos. 27 yrs.	6.11 6.25 6.60 6.60
October 15.....	5% Oct. 15, 1987 ⁽²⁾	1	1	6 1/2% June 1, 1988	14	14 ⁽¹⁰⁾	+13	20 yrs.	6.87
December 15.....	4 1/2% Dec. 15, 1968	100	100	6 1/2% May 1, 1970 6 1/2% Apr. 1, 1971	50 200 ⁽¹⁰⁾	250	+150	1 yr. 4 1/2 mos. 2 yrs. 3 1/2 mos.	6.28 6.36
Total (Calendar 1968).....			1,697			2,778	+1,081		

January 15.....	5% July 1, 1969	100	100 ⁽³⁾	6½% June 1, 1988	16	16 ⁽⁴⁾	20 yrs.	6.87
March 14.....	—	—	100 ⁽³⁾	—	—	—100	—	—
Total (Fiscal 1968-69).....	—	—	1,397	—	—	2,344	—	—
April 1.....	5½% April 1, 1969	410	410	7% May 1, 1970 7½% Apr. 1, 1972 7¼% Apr. 1, 1974	125 135 ⁽¹¹⁾ 100 ⁽¹¹⁾ (12)	—	1 yr. 3 yrs. 5 yrs.	7.09 7.29 7.25
April 15.....	5% Oct. 15, 1987 ⁽⁵⁾	1	1	—	—	—1	—	—

⁽¹⁾\$100 million 7% bonds exchanged directly with Bank of Canada for bonds maturing in 1968.

⁽²⁾Subject to purchase fund.

⁽³⁾U.S. pay issue subject to partial redemption for sinking fund on prorated basis following partial retirement of issue on December 1, 1987.

⁽⁴⁾Payable in Italian Lire and placed directly with Italian Exchange Office.

⁽⁵⁾Payable in German Marks and offered in Europe through Deutsche Bank.

⁽⁶⁾U.S. pay issue in principal amount U.S. \$100 million, subject to delayed delivery contracts.

⁽⁷⁾\$75 million 7% due 1974 exchanged directly with Bank of Canada for bonds maturing in 1968.

⁽⁸⁾\$100 million 7% due 1973 exchanged directly with Bank of Canada for bonds due October 1, and December 15, 1968.

⁽⁹⁾Cancellation of securities held in the Securities Investment Account.

⁽¹⁰⁾\$100 million 6½% due 1971 exchanged directly with Bank of Canada for 5% bonds maturing July 1, 1969 and since cancelled.

⁽¹¹⁾\$50 million 7¼% due 1972 and \$25 million 7¼% due 1974 exchanged directly with Bank of Canada for \$75 million 5½% bonds maturing October 1, 1969.

⁽¹²⁾Exchangeable between April 1, 1973 and September 30, 1973 into an equal par value of 10 year 7¼% bonds to be dated April 1, 1974 and due April 1, 1984.

SOURCE: Department of Finance.

REFERENCE TABLE 69
CHANGES IN MARKET BONDS AND CANADA SAVINGS BONDS OUTSTANDING
1964 to 1968

	1964	1965	1966	1967	1968	1st half 1968	2nd half 1968
	(Millions of dollars)						
New Issues in Canadian dollars:							
Government of Canada—market ^(a)	-45	-380	82	800	1,178	333	845
—Canada Savings Bonds	480	253	223	230	38	-524	562
Sub-total	435	-127	305	1,030	1,216	-191	1,407
Provinces and municipalities ^(a)	928	724	1,123	1,172	723	323	400
Corporations	613	1,004	558	815	390	204	186
Total	1,976	1,601	1,991	3,017	2,329	336	1,993
Foreign-Pay Bond Issues:							
Government of Canada	—	-5	-5	-205	266	253	13
Provinces and municipalities	472	267	424	800	927	449	478
Corporations	205	394	542	138	399	263	136
Total	677	656	961	733	1,592	965	627
Total Bond Issues	2,653	2,257	2,952	3,750	3,921	1,301	2,620
Taken up by:							
Bank of Canada	24	357	1	334	135	-426	561
Chartered Banks	-191	54	113	873	1,092	364	728
Non-bank holders:							
Market bonds	1,663	937	1,654	1,580	1,064	922	142
Canada Savings Bonds	280	253	223	230	38	562	562
Holders of Canadian foreign-pay	677	656	961	733	1,592	965	627
Total	2,653	2,257	2,952	3,750	3,921	1,301	2,620

^(a)Includes Treasury bills and outstanding marketable bonds held in Government of Canada Accounts and excludes non-marketable bonds.

^(a)Excludes securities bought by the Canada Pension Plan.

Sources: Bank of Canada and Department of Finance.

REFERENCE TABLE 70
MORTGAGE LOAN APPROVALS⁽¹⁾
1962 to 1968

	Private Lending Institutions										CMHC ⁽²⁾	Total Private and Public
	Conventional Mortgages				NHA	Total Private Lending	of which:			Trust Cos., etc. ⁽³⁾		
	Non-Residential	Residential					Banks	Life Cos.				
		Existing ⁽⁴⁾	New									
1962-1964 Average.....	397	476	638	383		1,894	3	900		991	313	2,207
1965.....	581	749	902	320		2,552	6	1,158		1,388	513	3,065
1966.....	382	471	574	191		1,618	—	804		814	593	2,211
1967.....	369	655	744	356		2,124	253	800		1,071	737	2,861
1968.....	335	570	963	832		2,700	446	844		1,410	503	3,203
1967 I.....	80	101	133	187		501	15	180		306	59	560
II.....	107	210	249	32		598	58	221		319	405	1,003
III.....	93	202	193	46		534	75	220		239	191	725
IV.....	89	142	169	90		490	105	178		207	81	571
1968 I.....	98	127	243	188		656	88	261		307	84	740
II.....	74	143	235	205		657	82	237		338	94	751
III.....	83	138	208	257		686	95	179		412	75	761
IV.....	80	162	277	182		701	181	167		353	250	951

⁽¹⁾Data are on a gross basis, i.e., they do not necessarily take account of cancellations or alterations of loans after initial approval.

⁽²⁾Includes data on farm property.

⁽³⁾Includes loan and trust companies, Quebec saving banks, fraternal and mutual benefit societies.

⁽⁴⁾Includes student housing.

Source: Central Mortgage and Housing Corporation.

REFERENCE TABLE 71
SUMMARY OF SOURCES OF NET NEW FINANCING IN CANADA
1965 to 1968

	1965	1966	1967	1968
	(Millions of dollars)			
Government of Canada				
Market securities ⁽¹⁾	-380	82	800	1,178
Canada Savings Bonds.....	253	223	230	38
Sub-total.....	-127	305	1,030	1,216
Provinces ⁽²⁾ and Municipalities				
Bonds.....	724	1,590	1,841	1,427
Bank loans.....	198	137	80	28
Sub-total.....	922	1,727	1,921	1,455
Corporations and others ⁽³⁾				
Bonds.....	1,004	558	815	390
Stocks.....	474	594	505	522
Commercial and Industrial Goods and Bankers' Acceptances.....	214	22	-53	5
Short-term commercial paper.....	-120	22	37	168
Bank loans.....	1,087	536	1,110	943
Sub-total.....	2,659	1,732	2,434	2,028
Individuals				
Mortgages from private sector institutions ⁽⁴⁾	1,365	1,013	954	1,401*
Consumer credit.....	887	613	768	1,201*
Sub-total.....	2,252	1,626	1,722	2,602
TOTAL.....	5,706	5,390	7,107	7,301

⁽¹⁾Includes Government of Canada Accounts and guaranteed bonds but excludes non-market bonds.

⁽²⁾Includes securities purchased by Canada Pension Plan.

⁽³⁾Others include unincorporated businesses, farmers, non-financial, religious and non-profit institutions.

⁽⁴⁾Chartered Banks, Quebec Savings Banks, Trust and Loan Companies, Life Insurance Companies, Credit Unions and Caisses Populaires and Trusteed Pension Plans. Includes a small amount of commercial and industrial mortgages.

*=estimated

SOURCE: Bank of Canada and Department of Finance.

ESTIMATES OF NET CHANGES IN ASSETS AND LIABILITIES OF CHARTERED BANKS⁽¹⁾

1966 to 1968

	1966	1967	1968	1967				1968					
				I	II	III	IV	I	II	III	IV		
												(Millions of dollars)	
Assets:													
Cash ⁽²⁾	143	-54	45	-27	85	-66	-46	-109	28	47	79		
Day, call and short loans.....	74	114	87	56	15	170	-127	-60	78	127	-58		
Government of Canada Treasury bills.....	214	256	388	183	-72	148	-3	94	64	455	-225		
Government of Canada bonds.....	-30	570	519	195	133	215	27	-23	-13	376	179		
Provincial bonds ⁽³⁾	-55	63	31	8	37	30	-12	9	-18	41	-1		
Municipal bonds ⁽⁴⁾	-7	17	20	15	7	17	-22	1	1	13	6		
Corporate bonds and stock.....	29	63	128	3	20	8	32	-27	10	62	83		
Loans to:													
Provinces.....	35	119	-56	-24	18	73	52	-71	55	-43	3		
Municipalities.....	80	-22	107	112	-141	-26	33	211	-78	-65	30		
Grain dealers.....	37	272	272	292	-148	58	70	45	237	-69	22		
Finance companies.....	-107	-72	22	-56	11	-24	-3	79	-35	-69	38		
Consumer credit ⁽⁵⁾	217	519	688	45	253	115	106	77	187	166	258		
Other loans to persons ⁽⁶⁾	-31	15	50	-23	17	11	10	-22	5	21	46		
Farmers ⁽⁴⁾	90	116	8	-73	91	65	33	-62	14	31	25		
Businesses ⁽⁴⁾	427	728	640	125	176	362	65	442	-69	146	121		
Other ⁽⁶⁾	24	-7	17	-69	-72	-61	195	-67	-70	-59	213		
Residential mortgages.....	-41	53	199	-9	-7	23	46	41	57	46	55		
Net foreign currency assets.....	92	42	179	-27	129	48	-108	-43	102	66	54		
Total ⁽⁷⁾	1,191	2,792	3,344	726	552	1,166	348	514	555	1,338	937		
Liabilities:													
Government of Canada deposits.....	93	-303	203	-20	-225	-218	160	383	-766	53	533		
Personal savings deposits.....													
Chequeable.....													
Fixed term.....	498	1,488	-1,011	422	410	501	-556	-289	-367	-141	-214		
Non-personal term and notice.....	177	1,172	1,565	344	164	581	221	245	593	351	89		
Demand.....	436	354	743	-263	85	290	83	-10	538	264	-49		
Total.....	1,204	2,711	3,258	483	434	1,154	640	-790	357	564	349		
Total.....								48	837	1,395	978		

⁽¹⁾Except as indicated, all data is based on the average of Wednesday in the last month of the quarter.⁽²⁾Bank of Canada notes and deposits.⁽³⁾Securities purchased directly from issuer with a term of less than one year at time of issue are classified as loans.⁽⁴⁾Data based on the last day of the quarter.⁽⁵⁾Personal loans fully secured by marketable stocks and bonds and Home Improvement loans.⁽⁶⁾Loans to finance the purchase of Canada Savings Bonds at the time of issue.⁽⁷⁾The difference in changes in assets and liabilities is due mainly to the use of quarter-end data as indicated in note 4 and the exclusion of selected items from the balance sheet.

On the asset side, net Canadian dollar items in transit, bank premises, shares of and loans to controlled corporations, coin, inter-bank deposits and other assets are excluded. The following liabilities are also excluded: advances from the Bank of Canada, outstanding debentures, accumulated appropriations for losses, other liabilities and shareholders' equity.

Source: Bank of Canada and Department of Finance.

REFERENCE TABLE 73
ESTIMATES OF NET CHANGES IN ASSETS AND LIABILITIES OF TRUST COMPANIES
1966 to 1968

	1966	1967	1968	1967				1968			
				(Millions of dollars)							
				I	II	III	IV	I	II	III	IV
Assets:											
Currency and deposits.....	-11	6	25	-19	—	-16	41	-12	8	14	15
Short-term notes and bills ⁽¹⁾	93	37	141	111	-109	74	-39	19	2	125	5
Government of Canada bonds.....	47	23	62	-23	22	4	20	23	27	-39	51
Provincial bonds.....	34	56	—	31	25	—	—	-19	-8	33	-8
Municipal bonds.....	1	-16	9	16	-16	-8	-8	7	—	-1	3
Corporate bonds.....	21	51	29	39	13	7	-8	24	12	5	-2
Mortgages and sales agreements.....	193	245	308	35	67	76	67	54	84	96	74
Canadian preferred and common shares.....	8	2	12	—	1	2	-1	3	-2	6	5
Other assets ⁽²⁾	49	26	33	18	11	3	-6	8	5	29	-19
Total.....	435	430	619	208	14	142	66	107	128	268	116
Liabilities:											
Demand and savings deposits.....	-19	67	61	13	18	39	-3	-1	-3	11	54
Certificates and term deposits.....	420	314	467	147	4	82	81	78	117	228	44
Other liabilities ⁽³⁾	34	49	91	48	-8	21	-12	30	14	29	18

⁽¹⁾Government of Canada treasury bills, short-term notes of sales finance companies, commercial paper, deposit receipts, certificates and term deposits in chartered banks, trust and mortgage loan companies and collateral loans.

⁽²⁾Investments in foreign securities, subsidiaries and affiliated companies, interest, dividends and rents receivable, real estate and equipment and other assets.

⁽³⁾Bank loans, short-term loans and notes payable, amount owing parent and affiliated companies, interest and dividends and other liabilities and shareholders' equity.

Source: DBS *Business Financial Statistics*, Quarterly, Cat. No. 61-006.

REFERENCE TABLE 74

ESTIMATES OF NET CHANGES IN ASSETS AND LIABILITIES OF MORTGAGE LOAN COMPANIES

1966 to 1968

	1966	1967	1968	1967				1968			
				(Millions of dollars)							
				I	II	III	IV	I	II	III	IV
Assets:											
Currency and deposits.....	12	6	23	—	9	— 10	7	— 10	3	7	23
Short-term notes and bills ⁽¹⁾	18	22	10	19	5	— 6	4	16	— 9	31	— 23
Government of Canada bonds.....	1	7	— 3	— 16	18	— 4	1	— 12	— 3	— 1	7
Provincial bonds.....	5	5	— 2	11	— 3	— 2	— 1	— 8	— 3	— 6	— 1
Municipal bonds.....	—	1	— 3	—	—	— 1	—	— 1	— 1	—	—
Corporate bonds.....	— 7	4	— 3	3	— 3	— 1	— 1	— 4	— 2	— 1	—
Mortgages.....	109	127	160	122	24	51	40	11	34	65	50
Canadian preferred and common shares.....	3	10	3	3	6	1	—	— 1	— 3	2	— 1
Other assets ⁽²⁾	25	23	11	1	4	— 2	20	— 20	31	— 10	10
Total.....	132	205	202	33	66	36	70	15	39	89	59
Liabilities:											
Demand and savings deposits.....	19	11	48	3	14	1	— 7	3	15	13	17
Certificates, debentures and term deposits.....	114	167	127	32	59	38	38	50	— 8	43	42
Other liabilities ⁽³⁾	— 1	27	27	— 2	— 7	— 3	39	— 38	32	33	—

⁽¹⁾Government of Canada treasury bills, short-term notes of sales finance companies, commercial paper, deposit receipts, certificates and term deposits in chartered banks, trust and mortgage loan companies and collateral loans.

⁽²⁾Investments in foreign securities; subsidiaries and affiliated companies; interest, dividends and rents receivable, real estate and equipment and other assets.

⁽³⁾Bank loans, short-term loans and notes payable, amount owing parent and affiliated companies, interest and dividends and other liabilities and shareholder's equity.

SOURCE: DBS *Business Financial Statistics*.

REFERENCE TABLE 75
ESTIMATES OF NET CHANGES IN ASSETS AND LIABILITIES OF MUTUAL FUNDS
1966 to 1968

	1966	1967	1968	1967				1968			
				I	II	III	IV	I	II	III	IV
(Millions of dollars)											
Assets:											
Cash.....	15	5	80	8	-5	12	-10	39	-1	15	27
Short-term notes and bills ⁽¹⁾	7	33	12	-8	16	11	14	-11	-12	27	-12
Government of Canada.....	3	-37	3	-9	-15	-12	-1	6	-1	-2	-1
Provincial and Municipal bonds.....	-9	-10	-14	-2	2	-9	-1	-4	-1	-4	-1
Corporate bonds.....	2	-	-7	8	-6	-1	-1	-2	-1	-2	-1
Mortgages.....	-1	-2	-3	-	-	-1	-1	-2	2	-2	-1
Canadian common and preferred shares.....	91	-12	2	11	1	-20	-4	-23	10	-26	41
Foreign common and preferred shares.....	237	262	452	54	73	86	49	45	159	81	167
Other assets ⁽²⁾	5	39	26	17	2	2	18	21	1	1	3
Total.....	340	278	551	79	68	68	63	69	180	82	220
Liabilities:											
Paid-in capital.....	301	134	316	35	18	47	34	66	95	51	104
Retained earnings.....	32	125	169	29	40	28	28	19	48	22	80
Other liabilities ⁽³⁾	7	19	66	15	10	-7	1	-16	37	9	36

⁽¹⁾Short-term notes of sales finance and other companies and Government of Canada treasury bills.

⁽²⁾Current assets, investments in foreign bonds and debentures and other assets.

⁽³⁾Short-term loans, accounts payable, long-term debt and other liabilities.

SOURCE: DBS *Business Financial Statistics*.

REFERENCE TABLE 76
ESTIMATES OF NET CHANGES IN ASSETS AND LIABILITIES OF CLOSED-END FUNDS
1966 to 1968

	1966	1967	1968	1967				1968			
				I	II	III	IV	I	II	III	IV
(Millions of dollars)											
Assets:											
Cash.....	1	- 2	30	- 2	- 8	- 3	3	- 2	-	25	7
Short-term notes and bills ⁽¹⁾	2	- 6	1	- 2	- 1	- 2	2	9	-	-11	3
Government of Canada bonds.....	3	- 2	- 2	- 1	-	-	-	- 1	-	- 1	-
Provincial and Municipal bonds.....	-	-	-	-	-	-	-	-	-	-	-
Corporate bonds.....	4	- 6	-	- 5	-	- 1	-	- 1	-	1	1
Canadian common and preferred shares.....	30	23	34	6	16	5	1	- 1	28	- 9	16
Foreign common and preferred shares.....	-	7	10	3	2	1	1	- 1	4	3	3
Other assets ⁽²⁾	7	- 4	11	- 3	1	1	- 3	2	4	2	-
Total.....	47	15	85	-	10	1	4	6	36	10	33
Liabilities:											
Short-term loans.....	13	4	-26	- 3	4	2	1	-14	-	-12	- 1
Long-term debt.....	- 2	- 4	- 4	1	-	- 5	-	-	-	- 3	-
Other liabilities ⁽³⁾	-	- 2	9	2	- 2	1	1	-	- 1	-	10
Paid-in capital.....	16	- 3	62	-	8	- 3	- 2	1	42	1	18
Retained earnings.....	20	16	44	-	-	6	- 2	19	- 5	24	6

⁽¹⁾Short-term notes of sales finance and other companies and Government of Canada treasury bills.

⁽²⁾Current assets, investments in foreign bonds and debentures and other assets.

⁽³⁾Accounts payable and other liabilities.

SOURCE: DBS *Business Financial Statistics*.

REFERENCE TABLE 77
ESTIMATES OF NET CHANGES IN ASSETS AND LIABILITIES OF LIFE INSURANCE COMPANIES^(a)
1966 to 1968

	1966	1967	1968	1967				1968			
				I	II	III	IV	I	II	III	IV
(Millions of dollars)											
Assets:											
Cash.....	7	1	-12	-22	4	36	-18	-21	18	20	
Short-term notes and bills ^(c)	-26	-9	-1	-15	-7	-3	67	-26	-4	-47	
Government of Canada bonds.....	-17	4	-5	-8	-7	12	19	-1	-16	4	
Provincial bonds.....	35	26	25	7	2	2	19	4	21	-17	
Municipal bonds.....	-6	-3	4	-5	—	-3	-3	—	-1	-14	
Corporate and other bonds ^(d)	136	170	98	39	30	30	17	43	24	14	
Preferred and common shares.....	34	68	11	18	14	26	18	18	19	46	
Mortgages.....	457	284	332	59	84	44	36	107	86	104	
Real estate.....	44	32	10	9	8	5	10	7	6	11	
Policy loans.....	30	29	6	9	8	7	14	21	13	10	
Collateral loans.....	3	—	—	—	—	—	—	—	2	—	
Total ^(a)	640	580	623	159	136	156	177	152	163	131	

^(a)Data based on Canadian dollar transactions of sixteen life insurance companies having in 1967, 81% of net premium income of all federal companies.

^(b)Federal, provincial and municipal treasury bills, short-term paper of sales financial companies, corporate and bank paper and trust company certificates.

^(c)Other bonds consist of issue of Canadian religious and other institutions and issue of foreign debtors in Canadian dollars.

^(d)Total net change in assets is equal to total net change in life insurance and pension liabilities.

SOURCE: The Canadian Life Insurance Association.

REFERENCE TABLE 78
ESTIMATES OF NET CHANGES IN ASSETS AND LIABILITIES OF SALES FINANCE AND CONSUMER LOAN COMPANIES
1966 to 1968

	1966	1967	1968	1967				1968			
				I	II	III	IV	I	II	III	IV
(Millions of dollars)											
Assets:											
Cash and deposits.....	53	-2	-13	3	-32	-6	33	-11	-8	21	-15
Short term notes and bills(a).....	6	20	-17	23	-17	-2	16	-17	21	19	-40
Government of Canada bonds.....	10	-5	-3	-6	2	-5	4	-2	5	-6	10
Other Canadian bonds.....	-8	42	-7	27	7	-8	6	-2	-2	-2	9
Consumer credit.....	173	61	229	-19	94	3	-17	-4	128	55	50
Commercial and wholesale credit.....	-25	-14	95	13	-3	-133	109	46	75	-177	151
Claims on associated enterprises.....	112	-115	-26	-2	-28	-65	-20	-13	-	-2	-11
Other assets(2).....	-175	139	155	24	6	76	33	15	30	57	53
Total.....	146	126	427	63	39	-140	164	6	249	-35	207
Liabilities:											
Short-term bank loans.....	-132	-43	-47	-111	14	-20	74	-31	-47	-74	105
Demand and short-term notes (Canadian).....	164	-33	344	108	-41	-63	-37	177	179	-17	5
Demand and short-term notes (Foreign).....	-21	111	-5	2	-13	10	25	-25	-15	-15	30
Long-term bonds (Canadian).....	73	5	-28	25	38	7	4	-56	15	28	75
Long-term bonds (Foreign).....	21	66	67	5	39	1	8	-5	12	10	-43
Unearned income.....	21	67	67	13	23	17	13	-7	32	12	19
Owing parent and affiliates.....	113	-37	16	10	9	-72	16	-7	3	-8	28
Other liabilities(a).....	-43	33	28	11	18	-20	24	-49	59	30	-12

^(a)Short-term notes of finance and other companies and Government of Canada treasury bills.

^(b)Includes investments in preferred and common shares, foreign securities, fixed assets and other investments.

^(c)Accounts payable and other current liabilities and shareholders' equity.

SOURCE: DBS *Business Financial Statistics*.

PART II

REVIEW OF GOVERNMENT ACCOUNTS 1968-69

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PART II

REVIEW OF GOVERNMENT ACCOUNTS

1968-69

INTRODUCTION

This Part of the Budget Papers presents in summary form a review of the accounts of the Government of Canada for the fiscal year 1968-69. Although the fiscal year of the government ended on March 31, the books must remain open for some time after that date to record various adjusting entries and to take into account section 35 of the Financial Administration Act which provides that for thirty days after the end of each fiscal year payments for the discharge of debts properly applicable to the old year may be made and charged to that year. Consequently the figures used in this report are preliminary and subject to revision and the final figures when they become available next July or August will vary to some extent from those given in the following pages.

In 1968-69, in order to improve the functioning of the government service, major changes were made in the control and supervision of the duties and functions of a number of departments and several new departments were established.

The newly formed departments are: *Communications*, which is responsible for the operations of the Post Office, matters relating to telecommunications, and the development and utilization generally of communication undertakings, facilities, systems and services; *Fisheries and Forestry*, which is responsible for matters relating to the sea coast and inland fisheries and the forest resources of Canada; *Industry and Trade and Commerce*, which is responsible for matters relating to the manufacturing and processing industries in Canada, tourism, and trade and commerce generally; *Regional Economic Expansion*, which is responsible for matters relating to economic expansion and social adjustment in areas requiring special measures; and *Supply and Services*, which is responsible for matters relating to the acquisition and provision of materiel and services for departments.

The presentation of expenditures in this report follows the 1968-69 Revised Estimates which were established to conform to the reorganization of government departments. For purposes of comparison the 1967-68 figures have been adjusted accordingly.

More detailed information in respect of the realignment of duties and responsibilities are given in the departmental references to expenditures in subsequent pages of this report.

HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL OPERATIONS DURING 1968-69

This section outlines the financial operations of the government in 1968-69 giving a brief summary of the budgetary and non-budgetary transactions, the unmatured debt transactions and the changes in the cash position and the debt

position during the fiscal year. More detailed explanations are given in subsequent sections of this review.

The following table summarizes the budgetary and non-budgetary transactions for 1968-69 with comparative figures for 1967-68 and indicates how these transactions affected the government's cash balances.

TABLE 1
(in millions of dollars)

SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION	Fiscal year ended March 31	
	1969 (preliminary)	1968
Budgetary transactions—		
Revenue—		
Tax.....	8,988	8,016
Non-tax.....	1,181	1,013
	10,169	9,029
Expenditure.....	10,735	9,824
Deficit (—).....	<u>—566</u>	<u>—795</u>
Non-budgetary transactions (excluding unmatured debt transactions)		
Receipts and credits—		
Net annuity, insurance and pension accounts receipts.....	709	465
Repayment of advances to exchange fund account.....		322
Canada pension plan account.....	755	672
Investments in United States dollar securities issued by other than the Government of Canada.....	32	57
Increase in non-interest-bearing notes payable on demand.....		450
Repayment of loans, investments and advances.....	98	
Other.....	411	445
	2,005	2,411
Disbursements and charges—		
Advances to exchange fund account.....	834	
Loans, investments and advances.....	1,153	1,471
Canada pension plan investment fund.....	742	665
Decrease in non-interest-bearing notes payable on demand.....	216	
Other.....	433	69
	3,378	2,205
Net amount available from, or required for (—), non-budgetary transactions.....	<u>—1,373</u>	<u>206</u>
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances.....	—1,939	—589
Net increase in unmatured debt outstanding in hands of the public.....	1,523	790
Net increase or decrease (—) in Receiver General bank balances....	—416	201

NOTE: In 1968-69 revenues arising from Department of Transport air services and marine services expenditures were credited thereto. For purposes of comparison the 1967-68 figures have been adjusted.

Budgetary transactions

The budgetary revenue, expenditure and deficit as forecast in the budget speech of October 22, 1968 and the actual figures as now estimated are shown in the following table:

TABLE 2
(in millions of dollars)

BUDGETARY TRANSACTIONS FOR FISCAL YEAR 1968-69	Budget forecast October 22, 1968	Actual (preliminary)	Increase or decrease (—) compared with October 22, 1968 forecast	
			Amount	Per cent
Revenue.....	10,105	10,169	64	0.63
Expenditure.....	10,780	10,735	—45	—0.42
Deficit.....	675	566	—109	

Revenue

Budgetary revenue of the government amounted to \$10,169 million for 1968-69. This was \$64 million or about one half of one per cent more than the figure of \$10,105 million forecast on October 22, 1968 and \$1,140 million or 13 per cent more than the total collected in 1967-68.

Tax revenue accounted for \$972 million of the increase and non-tax revenue accounted for \$168 million of the increase over 1967-68 receipts.

The yield from income taxes was \$917 million higher and from return on investments \$81 million higher than in 1967-68.

Expenditure

Budgetary expenditure amounted to \$10,735 million, \$45 million or approximately one half of one per cent less than the figure of \$10,780 million forecast on October 22, 1968 and \$911 million or 9 per cent higher than expenditure in 1967-68.

The main changes over 1967-68 were increases of \$178 million in public debt charges, \$130 million in fiscal, subsidy and other payments to provinces, \$169 million in post-secondary education payments, \$23 million in amortization of actuarial deficiencies in the public service superannuation account, \$85 million in the adult occupational training program, \$91 million in the government's contribution under the Hospital Insurance and Diagnostic Services Act and a decrease of \$81 million in the technical and vocational training program.

Deficit

On the basis of these preliminary figures, expenditures of \$10,735 million exceeded revenues of \$10,169 million resulting in a deficit of \$566 million compared with a deficit of \$675 million as forecast on October 22, 1968 and a deficit of \$795 million in 1967-68.

Non-budgetary transactions (excluding unmatured debt transactions)

Non-budgetary transactions are those which increase or decrease the government's asset and liability accounts and do not enter into the calculation of the annual budgetary surplus or deficit.

In 1968-69 net disbursements and charges of \$3,378 million exceeded net receipts and credits of \$2,005 million, resulting in a net requirement of \$1,373

million. In 1967-68 net receipts and credits were \$2,411 million and net disbursements and charges were \$2,205 million, resulting in a net receipt of \$206 million.

Old age security fund

Receipts by the fund during 1968-69 of \$1,620 million exceeded payments of \$1,544 million by \$76 million. In 1967-68 receipts of \$1,495 million exceeded payments of \$1,388 million by \$107 million.

The transactions in the fund during 1968-69 compared with those for 1967-68 were as follows:

	Fiscal year ended March 31	
	1969 (preliminary)	1968
	(in millions of dollars)	
Balance in fund at beginning of fiscal year.....	536	429
Receipts—		
Sales tax.....	522	545
Personal income tax.....	915	800
Corporation income tax.....	183	150
	2,156	1,924
Disbursements—		
Pension payments.....	-1,544	-1,388
Balance in fund at end of fiscal year.....	612	536

Canada pension plan account

Receipts during 1968-69 were \$786 million and disbursements were \$31 million. In 1967-68 receipts were \$685 million and disbursements were \$13 million.

The transactions in the account during 1968-69 compared with those in 1967-68 were as follows:

	Fiscal year ended March 31	
	1969 (preliminary)	1968
	(in millions of dollars)	
Balance at beginning of fiscal year.....	1,353	681
Receipts.....	786	685
Disbursements.....	-31	-13
Balance at end of fiscal year.....	2,108	1,353

At March 31, 1969 the balance in the account consisted of an operating balance of \$85 million on deposit with the government and provincial securities in the amount of \$2,012 million and Government of Canada securities in the amount of \$11 million recorded in the Canada pension plan investment fund.

Unmatured debt transactions

Unmatured debt transactions in 1968-69 reflected an increase of \$1,523 million in unmaturred debt outstanding in the hands of the public compared with an increase of \$790 million in 1967-68.

Change in cash position

Receiver General bank balances in current deposits were \$416 million less at March 31, 1969 than at the previous fiscal year-end. The budgetary deficit

of \$566 million plus non-budgetary requirements of \$1,373 million was financed by an increase of \$1,523 million in outstanding unmatured debt and a draw-down of \$416 million in Receiver General bank balances.

Change in debt position

As a result of budgetary and non-budgetary transactions the gross liabilities increased by \$2,928 million to \$35,852 million at March 31, 1969, net recorded assets increased by \$2,362 million to \$18,526 million and net debt increased by \$566 million to \$17,326 million.

	Fiscal year ended March 31		
	1969 (preliminary)	1968	Increase or decrease (-)
(in millions of dollars)			
Gross liabilities.....	35,852	32,924	2,928
Less net recorded assets.....	18,526	16,164	2,362
Net debt.....	17,326	16,760	566

THE BUDGETARY ACCOUNTS

Total budgetary revenue is estimated at \$10,169 million in 1968-69, budgetary expenditure at \$10,735 million and the budgetary deficit at \$566 million.

In 1968-69 the practice whereby revenue arising from a particular vote is credited thereto was extended to include Department of Transport vote 5, marine services and vote 30, air services.

The figures in the following table for prior years have not been changed but subsequent tables show 1967-68 figures as amended for comparative purposes.

TABLE 3
BUDGETARY REVENUE, EXPENDITURE AND DEFICIT
(in millions of dollars)

FISCAL YEAR ENDED MARCH 31	Budgetary revenue	Budgetary expenditure	Surplus or deficit (-)
1960.....	5,289.8	5,702.9	-413.1
1961.....	5,617.7	5,958.1	-340.4
1962.....	5,729.6	6,520.6	-791.0
1963.....	5,878.7	6,570.3	-691.6
1964.....	6,253.2	6,872.4	-619.2
1965.....	7,180.3	7,218.3	-38.0
1966.....	7,695.8	7,734.8	-39.0
1967.....	8,376.2	8,797.7	-421.5
1968.....	9,076.6	9,871.4	-794.8
1969 (preliminary).....	10,169.0	10,735.0	-566.0

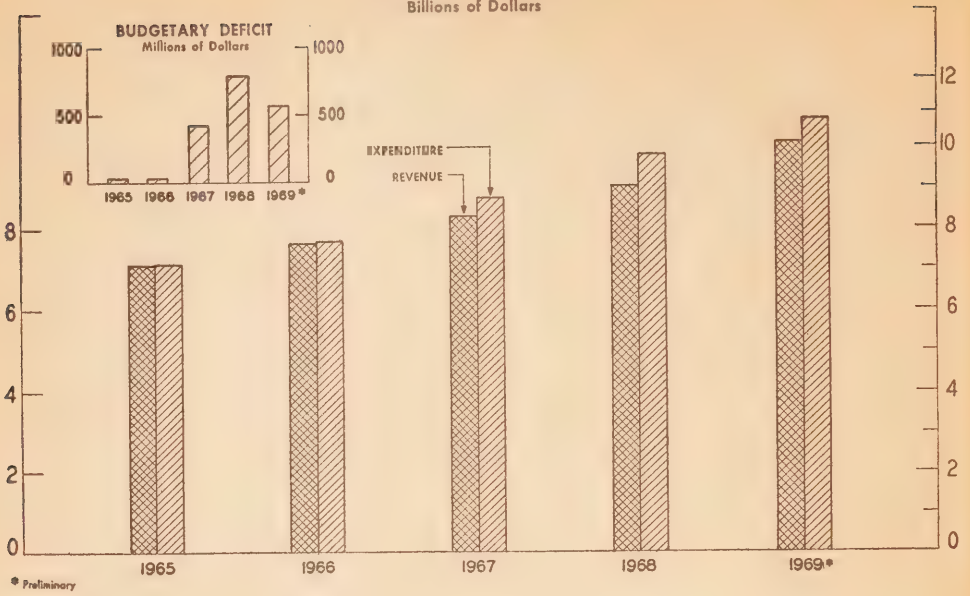
REVENUE

Budgetary revenue in 1968-69 is estimated at \$10,169 million, \$1,140 million or 13 per cent over the total of \$9,029 million received in 1967-68. Tax revenue at \$8,988 million accounted for 88 per cent of the total revenue for the fiscal year and non-tax revenue at \$1,181 million accounted for 12 per cent.

The more important items are increases of \$572 million in personal income tax collections, \$359 million in corporation income taxes, \$81 million in return on investments and \$23 million in postal revenue.

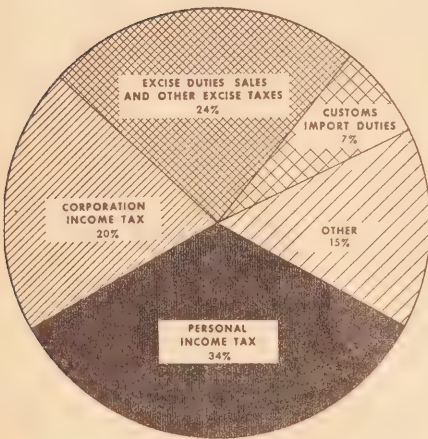
BUDGETARY REVENUE AND EXPENDITURE

Fiscal Years Ended March 31
Billions of Dollars

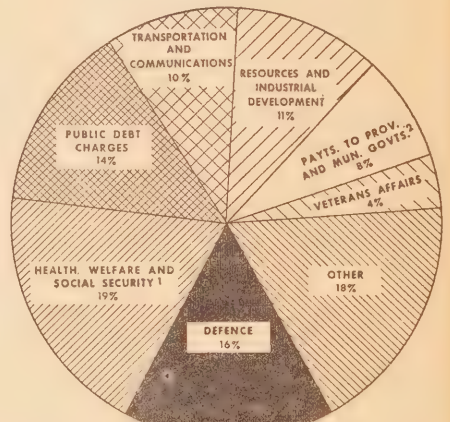


BUDGETARY REVENUE BY MAJOR SOURCE

For Fiscal Year Ended March 31, 1969
Preliminary



BUDGETARY EXPENDITURE BY MAJOR FUNCTION



1. Does not include payments out of old age security fund.
2. Does not include those payments made to provincial and municipal governments for specific purposes.

TABLE 4
BUDGETARY REVENUE BY MAJOR SOURCES
(in millions of dollars)

SOURCE	Fiscal year ended March 31				Increase or decrease (—)	
	1969 (preliminary)		1968		Amount	Per cent
	Amount	Per cent	Amount	Per cent		
Tax revenue—						
Income tax—						
Personal ^{(1) (2)}	3,422.0	33.7	2,849.6	31.6	572.4	20.1
Corporation ^{(1) (2)}	2,030.0	20.0	1,670.6	18.5	359.4	21.5
On dividends, interest, etc., going abroad.....	206.0	2.0	220.5	2.5	—14.5	—6.6
Excise taxes—						
Sales ^{(1) (2)}	1,572.0	15.4	1,601.1	17.7	—29.1	—1.8
Other ⁽²⁾	377.0	3.7	337.0	3.7	40.0	11.9
Customs import duties ⁽²⁾	760.0	7.5	746.4	8.3	13.6	1.8
Excise duties ⁽²⁾	509.0	5.0	488.6	5.4	20.4	4.2
Estate tax.....	111.7	1.1	102.2	1.1	9.5	9.3
Other taxes.....	0.3		0.3			
	8,988.0	88.4	8,016.3	88.8	971.7	12.1
Non-tax revenue—						
Return on investments.....	693.0	6.8	612.3	6.8	80.7	13.2
Post office—net postal revenue.....	305.0	3.0	281.6	3.1	23.4	8.3
Other non-tax revenue.....	183.0	1.8	119.0	1.3	64.0	53.8
	1,181.0	11.6	1,012.9	11.2	168.1	16.6
Total budgetary revenue⁽³⁾....	10,169.0	100.0	9,029.2	100.0	1,139.8	12.6

1968-69 1967-68

⁽¹⁾Excluding credits to:

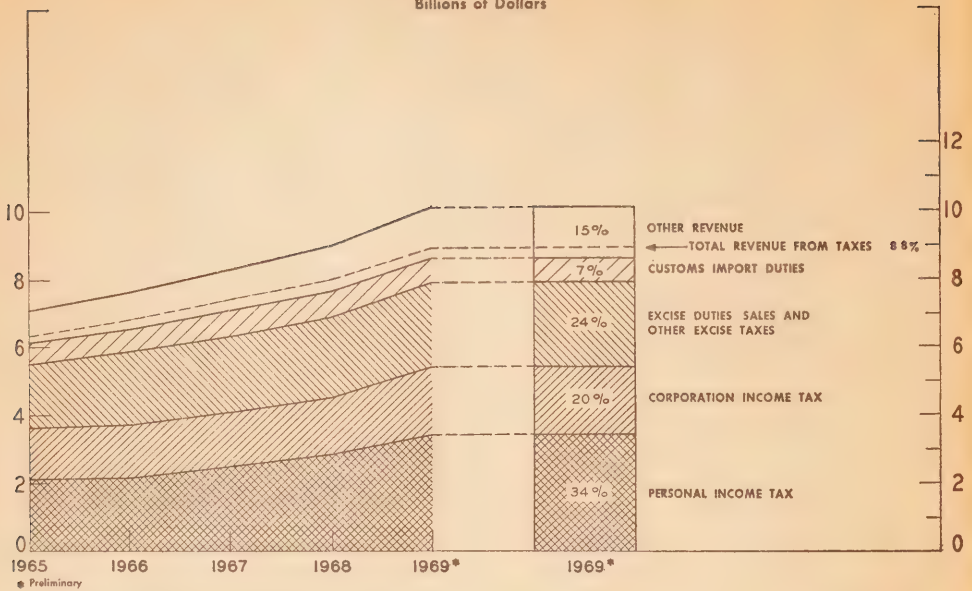
The old age security fund—

Personal income tax.....	915.0	800.1
Corporation income tax.....	183.0	150.0
Sales tax.....	522.0	544.5
	<u>1,620.0</u>	<u>1,494.6</u>

⁽²⁾Net after deduction of refunds and drawbacks.

⁽³⁾Department of Transport votes 5 and 30, Appropriation Act No. 4, 1968 gave authority to credit thereto revenue arising from services provided thereunder. For purposes of comparison the 1967-68 total has been adjusted.

BUDGETARY REVENUE BY SOURCE

Fiscal Years Ended March 31
Billions of Dollars

TAX REVENUE

Federal-provincial fiscal arrangements

Under fiscal arrangements, that became operative in 1962, the federal government withdrew in part from the field of direct taxation and left the vacated area to the provinces. The federal government offered to collect the provincial income taxes without charge provided that provincial personal income tax was expressed as a percentage of federal personal income tax otherwise payable and provincial corporation income tax applied to taxable income calculated in the same way as for federal income tax purposes. To allow for the imposition of the provincial income taxes, the Income Tax Act was amended to abate the federal income tax otherwise payable by individuals in all provinces except Quebec by 24 per cent in 1966 and 28 per cent in 1967, 1968 and 1969. For 1966 the abatement of federal income tax otherwise payable in the Province of Quebec was 47 per cent; for 1967, 1968 and 1969, the abatement was 50 per cent. These higher abatements for Quebec are in compensation of the fact that the payment of youth allowances and the full cost of certain programs which are supported jointly by federal and provincial governments in the other provinces have been assumed by Quebec. For the year 1966 the federal corporation income tax rates were abated by 9 percentage points for taxable income earned in a province other than Quebec and by 10 percentage points for taxable income earned in Quebec. For 1967, 1968 and 1969 the abatement was 10 percentage points for all provinces. The federal government has entered into tax-collection agreements under which it collects the provincial personal income taxes of all provinces except Quebec and the provincial corporation income taxes of all provinces except Ontario and Quebec.

Under these collection agreements, payments are made monthly to each province based on an estimate of that province's tax revenue. The actual amounts due based on assessed returns are established as at December 31 following the end of the fiscal year and adjustments are made with the provinces.

Under the present fiscal arrangements, the federal government agreed to abate its estate tax by 50 per cent in the fiscal years 1962-63 and 1963-64, and by 75 per cent thereafter, in any province that imposed its own succession duties. To a province that did not wish to re-enter the succession duty field the federal government agreed to pay 50 per cent of the federal estate tax revenue from within the province in 1962-63 and 1963-64 and 75 per cent thereafter. During 1962-63, Quebec and Ontario collected their own succession duties while the other provinces received a payment in lieu of imposing duties. Starting in 1963-64 British Columbia joined Ontario and Quebec in imposing its own succession duties. When the estate tax abatement was raised to 75 per cent in 1964-65, British Columbia increased its succession duty rates accordingly but Quebec and Ontario preferred to take in lieu of the extra abatement a payment equivalent to 25 per cent of the federal estate tax in those provinces. This arrangement also carried into 1965-66, 1966-67, 1967-68 and 1968-69.

Tax on personal income

In 1968-69 personal income tax was again the largest source of government revenue. Its yield (excluding the old age security tax) was \$3,422 million or 34 per cent of all budgetary revenue compared with \$2,850 million or 32 per cent in 1967-68. The increase of \$572 million was due mainly to a higher level of personal incomes in 1968-69, partly due to a temporary surtax of 3 per cent on the basic tax in excess of \$200 applied in respect of tax imposed on 1968 and 1969 income and partly to a social development tax of 2 per cent on taxable income up to a maximum tax of \$120 per annum applied in respect of 1969 income.

In addition to the federal revenue, \$1,090 million was allocated to the provincial tax collection agreements account under the terms of federal-provincial fiscal arrangements compared with \$961 million in 1967-68.

The tax on personal incomes levied under the Old Age Security Act and credited to the old age security fund was \$915 million compared with \$800 million in 1967-68. This increase of \$115 million was due mainly to higher levels of personal income in 1968-69.

Corporation income tax

Corporation income tax was the second largest source of government revenue. The yield (excluding the old age security tax) was \$2,030 million or 20 per cent of total budgetary revenue compared with \$1,671 million or 19 per cent in 1967-68. The increase of \$359 million was due to the shift forward of the payment period for corporations announced in November 1967 and to the termination of the accelerated depreciation programs at the end of 1966 and early in 1967 and to the three year curtailment of capital cost allowances for certain classes of assets purchased between March 30, 1966 and April 1, 1967.

In addition to the federal revenue, \$196 million was allocated to the provincial tax collection agreements account under terms of federal-provincial fiscal arrangements compared with \$167 million in 1967-68.

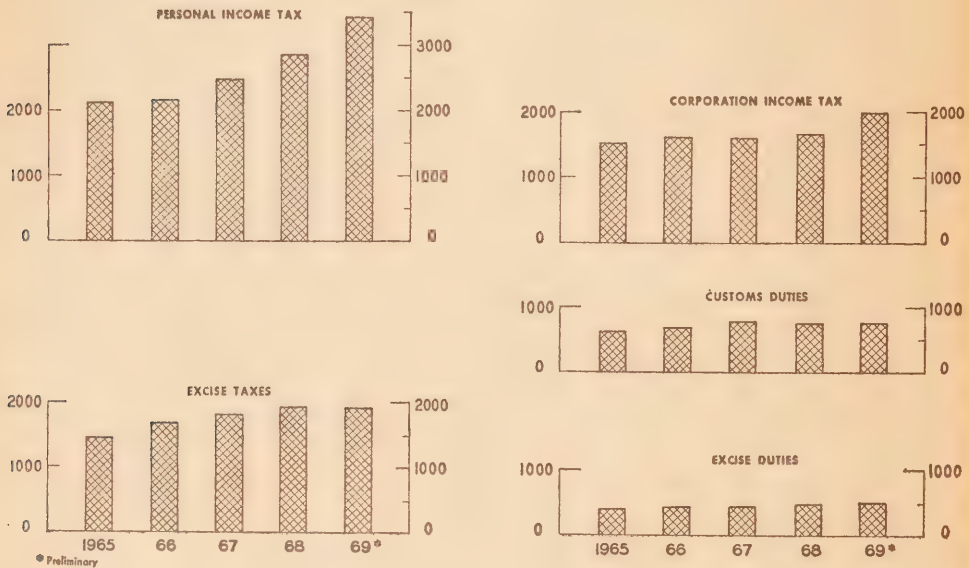
The tax on incomes of corporations levied under the Old Age Security Act and credited to the old age security fund was \$183 million, compared with \$150 million in 1967-68.

Taxes on dividends, interest, etc., going abroad

Revenue in this category is derived from taxes withheld from payments of dividends, interest, rents, royalties, alimony and income from estates and trusts paid to non-residents. Collections for 1968-69 were \$206 million, a decrease of \$15 million or 7 per cent from the 1967-68 total.

PRINCIPAL SOURCES OF TAX REVENUE

Fiscal Years Ended March 31
Millions of Dollars



Excise taxes

From a revenue standpoint the general sales tax is the most important tax levied under the Excise Tax Act. Receipts (excluding the old age security tax) were \$1,572 million, \$29 million less than 1967-68 receipts. The decline in receipts reflects the cancellation of the sales tax on production machinery and on drugs enacted during 1967-68.

The sales tax levied under the Old Age Security Act and credited to the old age security fund was \$522 million compared with \$545 million in 1967-68.

The yield from other excise taxes levied under the Excise Tax Act was \$377 million, \$40 million more than in 1967-68. The increase was due to increases in the excise taxes on tobacco products and on wines applied from December 1, 1967.

Customs import duties

Receipts from this source totalled \$760 million compared with \$746 million in 1967-68.

Excise duties

Excise duties are levied on alcoholic beverages (other than wines) and tobacco products. (Additional taxes on tobacco products are levied under the Excise Tax Act.) Net receipts in 1968-69 were \$509 million compared with \$489 million in 1967-68.

Gross receipts of \$321 million from duties on alcoholic beverages consisted of \$187 million in respect of spirits and \$134 million in respect of beer and were \$20 million higher than collections of \$301 million in 1967-68 of which \$181 million was in respect of spirits and \$120 million in respect of beer. This was due mainly to increases in the duties on spirits and beer applied from December 1, 1967.

Gross receipts of \$196 million from duties on tobacco products were \$1 million more than in 1967-68.

Refunds and drawbacks of \$8 million resulted in net excise duty collections of \$509 million in 1968-69. In 1967-68 refunds and drawbacks were \$7 million and net receipts were \$489 million.

Estate tax

Revenue in this category is derived under the Estate Tax Act. Net receipts of \$112 million were \$10 million more than in 1967-68.

Other taxes

Revenue under this heading during the fiscal year was \$300 thousand the same as in the previous fiscal year.

NON-TAX REVENUE

Non-tax revenue totalled \$1,181 million compared with \$1,013 million in 1967-68. The increase of \$168 million was due mainly to increases of \$81 million in return on investments, \$23 million in post office revenue and \$61 million in bullion and coinage.

It is noted that Department of Transport vote 5 and vote 30, Appropriation Act No. 4, 1968, which covered administration, operation and maintenance costs of marine services and air services respectively, gave authority to credit thereto revenue arising from services provided thereunder. Consequently such revenue is not reflected in the accounts as revenue. For purposes of comparison the 1967-68 figures have been amended accordingly.

TABLE 5
(in millions of dollars)

Non-Tax Revenue	Fiscal year ended March 31		Increase or decrease (-)	
	1969 (preliminary)	1968	Amount	Per cent
Return on investments.....	693.0	612.3	80.7	13.2
Post Office—net postal revenue.....	305.0	281.6	23.4	8.3
Refunds of previous years' expenditure.....	21.0	21.1	-0.1	-0.5
Services and service fees.....	29.0	31.7	-2.7	-8.5
Proceeds from sales.....	16.0	17.3	-1.3	-7.5
Privileges, licences and permits.....	31.0	23.5	7.5	31.9
Bullion and coinage.....	72.0	10.7	61.3	572.9
Other.....	14.0	14.7	-0.7	-4.8
	1,181.0	1,012.9	168.1	16.6

Return on investments

These receipts, in an amount of \$693 million, consisted of income derived from loans and advances made by the government and from investments by the government in productive or earning assets. In 1967-68 receipts were \$612 million.

TABLE 6
(in millions of dollars)

RETURN ON INVESTMENTS	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Loans to, and investments in, Crown corporations—			
Atomic Energy of Canada Limited.....	0.7	0.8	-0.1
Bank of Canada—profits.....	186.2	177.0	9.2
Canada Deposit Insurance Corporation.....	0.8	0.2	0.6
Canadian Broadcasting Corporation.....	5.0	3.8	1.2
Canadian Commercial Corporation—net profit.....	0.1	0.1	
Canadian Corporation for the 1967 World Exhibition....	7.1	9.9	-2.8
Canadian Dairy Commission.....	1.5	0.9	0.6
Canadian National Railways.....	35.8	22.5	13.3
Canadian Overseas Telecommunication Corporation....	2.6	2.5	0.1
Central Mortgage and Housing Corporation—			
Interest on debentures.....	194.7	156.7	38.0
Net profit.....	10.0	6.6	3.4
	204.7	163.3	41.4
Crown Assets Disposal Corporation.....	1.0	0.2	0.8
Exports Credits Insurance Corporation.....	10.3	9.5	0.8
Farm Credit Corporation.....	50.5	34.6	15.9
National Capital Commission.....	4.2	3.8	0.4
National Harbours Board.....	2.1	1.4	0.7
Northern Canada Power Commission.....	4.0	3.8	0.2
Northern Ontario Pipe Line Crown Corporation.....		0.7	-0.7
Polymer Corporation Limited.....		2.6	-2.6
The St. Lawrence Seaway Authority.....	11.2	10.8	0.4
	527.8	448.4	79.4
Other loans and investments—			
United Kingdom.....	2.7	21.2	-18.5
Other national governments.....	3.6	3.9	-0.3
Provincial governments.....	0.5	0.6	-0.1
Exchange fund account.....	84.5	55.2	29.3
Interest-bearing deposits with chartered banks.....	23.6	23.4	0.2
Municipal Development and Loan Board.....	14.2	12.7	1.5
Securities investment account.....	1.1	17.0	-15.9
Soldier and general land settlement loans and veterans land act advances.....	14.5	13.0	1.5
Investments in United States dollar securities issued by other than the government of Canada.....	5.2	6.6	-1.4
International bank for reconstruction and development..		2.0	-2.0
Investments held for retirement of debt.....	0.6	0.3	0.3
International monetary fund.....	3.0		3.0
National Defence—housing loans.....	1.2		1.2
Quebec—re Expo 1967.....	1.9		1.9
Miscellaneous.....	8.6	8.0	0.6
	165.2	163.9	1.3
	693.0	612.3	80.7

Receipts from Crown corporations at \$528 million were \$79 million more than in the previous year. The main changes were increases of \$41 million in payments by the Central Mortgage and Housing Corporation, \$16 million by the Farm Credit Corporation, \$13 million by the Canadian National Railways and \$9 million in the Bank of Canada profits paid to the government.

The yield from other loans and investments was \$165 million compared with \$164 million in 1967-68. The main items resulting in the increase of \$1 million were the deferment of the interest payment in the amount of \$19 million which was due on December 31, 1968 on the loan to the United Kingdom, a decrease of \$16 million in earnings of the securities investment account and an increase of \$29 million in interest in respect of the exchange fund account.

Post office revenue

Gross receipts from post office operations were \$360 million but authorized disbursements from revenue for salaries and rent allowances, other allowances and commissions at semi-staff and revenue offices, commissions at sub-offices, transit charges on Canadian mail forwarded through and delivered in foreign countries, etc. in the amount of \$55 million brought net revenue to \$305 million. In 1967-68 gross revenue was \$327 million, authorized disbursements were \$45 million and net revenue was \$282 million.

Net costs of operating the Post Office Department during 1968-69 (excluding the \$55 million charged to revenue) were \$347 million. As net revenue was \$305 million there was a net operating deficit of \$42 million. In 1967-68 net revenue was \$282 million, net operating costs were \$302 million and the net

TABLE 7
(in millions of dollars)

POST OFFICE REVENUE	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Postage—			
In Canada.....	339.4	307.1	32.3
From foreign countries.....	6.0	6.4	-0.4
Commission on money orders.....	10.0	9.4	0.6
Rental of post office boxes.....	2.6	2.5	0.1
Other.....	1.5	1.7	-0.2
	<i>359.5</i>	<i>327.1</i>	<i>32.4</i>
Less—			
Salaries and allowances—			
Revenue post offices.....	-14.4	-11.9	-2.5
Semi-staff post offices.....	-26.4	-21.7	-4.7
Sub-post offices.....	-7.1	-5.9	-1.2
Transit charges to or through foreign countries.....	-4.8	-4.3	-0.5
Other.....	-1.8	-1.7	-0.1
	<i>-54.5</i>	<i>-45.5</i>	<i>-9.0</i>
	305.0	281.6	23.4

operating deficit was \$20 million. The higher receipts in 1968-69 resulted from increased postal rates and the increase in costs was due mainly to higher salary rates and to normal staff growth.

However, it should be noted that the total shown for post office revenue does not reflect any payment for the franking privilege covering parliamentary and departmental mail or for certain miscellaneous services provided for other government departments and agencies, nor does the total shown for operating expenses reflect any charges for premises occupied by the Post Office Department or for accounting and miscellaneous services provided by other departments.

Refunds of previous years' expenditure

Refunds received in 1968-69 of expenditure made in prior years totalled \$21 million the same as in 1967-68.

The Department of National Defence received \$7 million of which \$2 million was due to cost audits and \$3 million to adjustments on contracts with the United States government and the Department of Veterans Affairs received \$4 million in refunds of veterans pensions, allowances and re-establishment credits.

Services and service fees

Revenue from this source was \$29 million compared with \$32 million in 1967-68.

The Department of Agriculture received \$10 million of which \$5 million was for services in connection with the inspection, weighing, storage and elevation of grain and \$2 million for race track supervision; the Department of Finance received \$3 million mainly numismatic revenue; and the Department of National Health and Welfare received \$6 million including a \$3 million reimbursement by the provinces for treatment of Indians in federal government hospitals.

Proceeds from sales

Receipts of \$16 million were \$1 million less than in 1967-68.

The Department of Supply and Services received \$4 million from the sale of surplus Crown assets and \$2 million from the sale of publications; Central Mortgage and Housing Corporation received \$3 million from the sales of properties; and the Department of Agriculture received \$2 million from the sale of livestock and produce.

Privileges, licences and permits

Revenue from this category totalled \$31 million for 1968-69, \$8 million more than in the previous fiscal year.

The Department of Indian Affairs and Northern Development received \$15 million of which \$9 million was from fees, leases and royalties in respect

of oil, gas and gold and \$1 million from transient motor vehicle licences; the Department of Consumer and Corporate Affairs received \$6 million from patents, trade marks, charters, etc. and the Department of Public Works received \$5 million for rental of public buildings and sites.

Bullion and coinage

Revenue of \$72 million derived from the operation of the Royal Canadian Mint consisted mainly of a net gain on coinage resulting from the change in the composition of 10 cent, 25 cent and 50 cent coins. Small amounts were also obtained from gold refining charges, handling charges and gain on gold refining. In 1967-68 revenue from the operation of the Mint totalled \$11 million.

Other non-tax revenue

Other non-tax revenue of \$14 million was \$1 million less than in 1967-68.

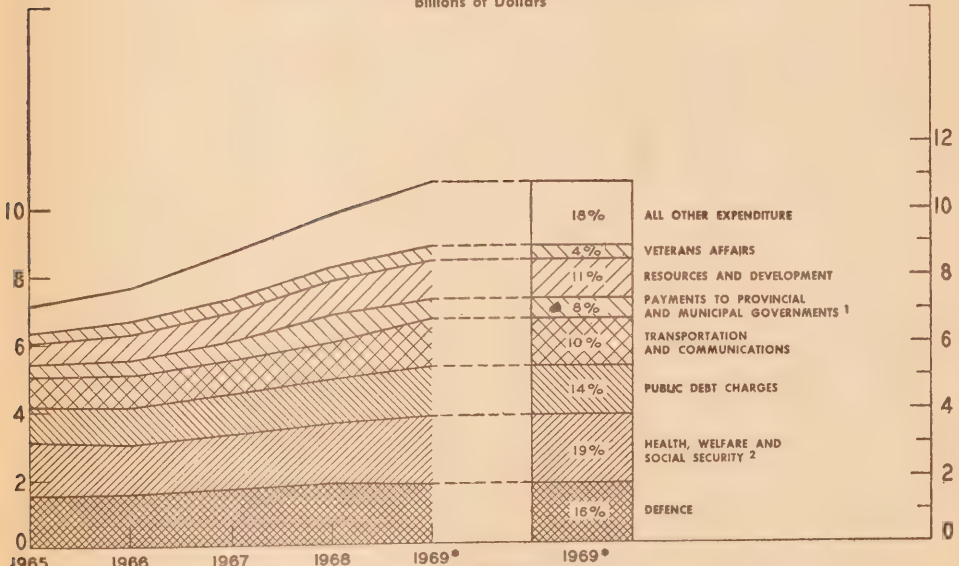
EXPENDITURE

Budgetary expenditure is estimated at \$10,735 million for 1968-69, \$911 million or 9 per cent higher than in 1967-68.

The presentation of expenditures in this report follows the 1968-69 Revised Estimates which were established to conform to the reorganization of government departments. For purposes of comparison the 1967-68 figures have been adjusted accordingly.

BUDGETARY EXPENDITURE, CLASSIFIED BY FUNCTION

Fiscal Years Ended March 31
Billions of Dollars



* Preliminary

1. Does not include those payments made to provincial and municipal governments for specified purposes.
2. Does not include pension payments out of the old age security fund not charged to budgetary expenditure in the year in which they were paid.

TABLE 8

STATEMENT OF BUDGETARY EXPENDITURE BY DEPARTMENTS

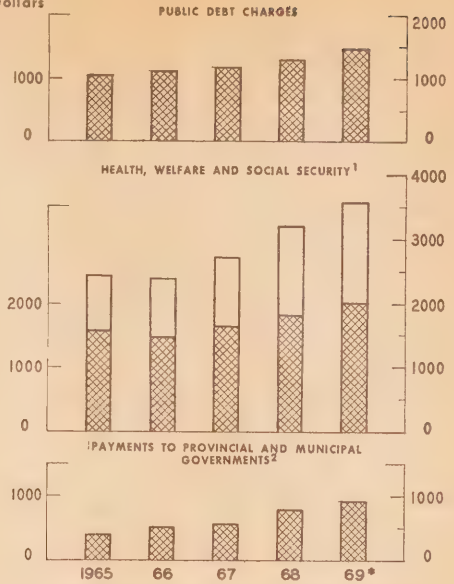
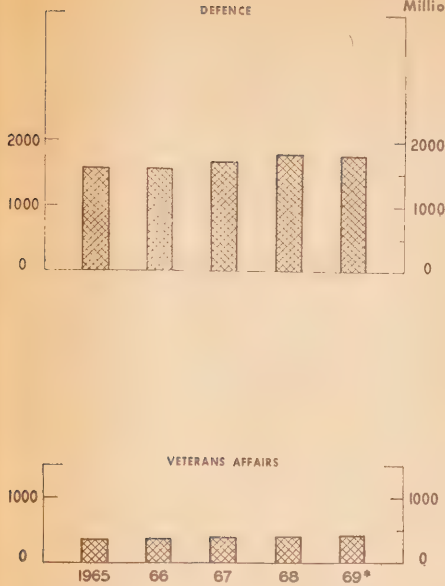
(in millions of dollars)

—	Fiscal year ended March 31				Increase or decrease (—)	
	1969 (preliminary)		1968			
	Amount	Per cent	Amount	Per cent	Amount	Per cent
Agriculture.....	286.0	2.7	276.4	2.8	9.6	3.5
Communications.....	357.5	3.3	312.8	3.2	44.7	14.3
Consumer and Corporate Affairs.....	14.0	0.1	12.9	0.1	1.1	8.5
Energy, Mines and Resources.....	182.0	1.7	203.3	2.1	—21.3	—10.5
External Affairs.....	225.0	2.1	215.7	2.2	9.3	4.3
Finance.....	2,419.7	22.5	2,121.0	21.6	298.7	14.1
Fisheries and Forestry.....	71.0	0.6	73.8	0.7	—2.8	—3.8
Governor General.....	1.0		1.0			
Indian Affairs and Northern Develop- ment.....	265.0	2.5	231.4	2.3	33.6	14.5
Industry and Trade and Commerce....	204.0	1.9	186.3	1.9	17.7	9.5
Justice.....	17.0	0.2	15.4	0.1	1.6	10.4
Labour.....	138.0	1.3	118.0	1.2	20.0	16.9
Legislature.....	18.5	0.2	18.3	0.2	0.2	1.1
Manpower and Immigration.....	415.0	3.9	417.9	4.3	—2.9	—0.7
National Defence.....	1,762.0	16.4	1,756.1	17.9	5.9	0.3
National Health and Welfare.....	1,670.0	15.6	1,509.0	15.4	161.0	10.7
National Revenue.....	120.0	1.1	115.1	1.2	4.9	4.3
Privy Council.....	9.5	0.1	11.1	0.1	—1.6	—14.4
Public Works.....	282.0	2.6	290.9	3.0	—8.9	—3.1
Regional Economic Expansion.....	170.0	1.6	159.6	1.6	10.4	6.5
Secretary of State.....	530.0	4.9	365.7	3.7	164.3	45.0
Solicitor General.....	160.0	1.5	153.5	1.6	6.5	4.2
Supply and Services.....	66.0	0.6	64.6	0.7	1.4	2.2
Transport.....	501.8	4.7	534.1	5.4	—32.3	—6.0
Treasury Board.....	423.0	3.9	259.3	2.6	163.7	63.1
Veterans Affairs.....	427.0	4.0	400.8	4.1	26.2	6.6
	10,735.0	100.0	9,824.0	100.0	911.0	9.2

NOTE.—Department of Transport votes 5 and 30, Appropriation Act No. 4, 1968 gave authority to credit thereto revenue arising from services provided thereunder. For purposes of comparison the 1967-68 total has been adjusted.

PRINCIPAL CLASSES OF BUDGETARY EXPENDITURE

Fiscal Years Ended March 31
Millions of Dollars



1. The unshaded areas of the columns in the chart for health, welfare and social security represent pension payments out of old age security fund not charged to budgetary expenditure.

2. Does not include those payments made to provincial and municipal governments for specific purposes.

* Preliminary

Agriculture

Expenditures of the Department of Agriculture were \$286 million compared with \$276 million in 1967-68.

Expenditures in respect of the Canadian Livestock Feed Board, which in 1967-68 were included in expenditures of the Department of Forestry and Rural Development, are now included under the Department of Agriculture and expenditures in respect of land rehabilitation, irrigation and water storage projects, which were included under the Department of Agriculture in 1967-68, are now included under the Department of Regional Economic Expansion.

TABLE 9
(in millions of dollars)

AGRICULTURE	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Production and marketing—			
Agricultural stabilization board—net operating loss.....	143.0	139.7	3.3
Other.....	51.0	36.6	14.4
	194.0	176.3	17.7
Research.....	44.0	39.7	4.3
Administration and general.....	48.0	60.4	-12.4
	286.0	276.4	9.6

Outlays for production and marketing at \$194 million were \$18 million more than in the previous year. The charge to expenditure in 1968-69 in respect of net operating losses of the agricultural stabilization board at \$143 million was \$3 million higher than the 1967-68 total.

Expenditures for research were \$44 million compared with \$40 million in 1967-68.

Communications

Expenditures in respect of Communications for 1968-69 were \$357 million compared with \$313 million in 1967-68. These comprise expenditures of the Post Office Department, the government telecommunications policy and administration bureau from the Department of Transport, a portion of the telecommunications and electronics branch of that department and elements of the defence research telecommunications establishment from the Defence Research Board.

TABLE 10
(in millions of dollars)

COMMUNICATIONS	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Post Office—			
Operations—			
Salaries and other expenses of staff post offices, district offices and railway mail services; and supplies and equipment and other items for revenue post offices.....	245.2	205.6	39.6
Salaries of postmasters and staff at revenue and semi-staff offices, commissions paid at sub-offices and other distributions ⁽¹⁾	54.5	45.5	9.0
Transportation—movement of mail by land, air and water.....	91.1	87.1	4.0
Financial services.....	4.7	4.6	0.1
Administration and general.....	6.0	4.5	1.5
Gross post-office expenditure.....	401.5	347.3	54.2
Less: charged to revenue.....	-54.5	-45.5	-9.0
Research satellite program.....	347.0	301.8	45.2
Administration and general.....	3.5	3.5	
	7.0	7.5	-0.5
	357.5	312.8	44.7

⁽¹⁾ Charged to budgetary revenue.

Costs of the Post Office charged to budgetary expenditure at \$347 million were \$45 million more than in 1967-68 due mainly to normal staff growth and salary increases.

Costs of operations at \$245 million were \$40 million more than in 1967-68 and costs of movement of mail were \$4 million more.

Remuneration of postmasters and staff at revenue and semi-staff offices and certain other disbursements are paid from revenue. These payments at \$55 million (\$9 million more than in 1967-68) brought gross post office expenditure to \$402 million compared with \$347 million in 1967-68.

Other expenditures of \$10 million included \$3 million for the research satellite program. In 1967-68 other expenditures totalled \$11 million of which \$3 million was for the research satellite program.

Consumer and Corporate Affairs

Expenditures of the Department of Consumer and Corporate Affairs were \$14 million, \$1 million higher than comparable figures for 1967-68.

These figures include the expenditures of the standards branch which were formerly included under the Department of Trade and Commerce and some administration expenditures transferred under the government reorganization from the Department of Agriculture and the Department of National Health and Welfare.

TABLE 11
(in millions of dollars)

CONSUMER AND CORPORATE AFFAIRS	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Patent division, copyright and industrial designs division and trade marks office.....	3.5	4.2	—0.7
Combines Investigation Act—administration.....	1.3	1.2	0.1
Bankruptcy Act—administration.....	0.9	0.8	0.1
Corporations Branch.....	0.3	0.2	0.1
Standards Branch.....	3.2	4.2	—1.0
Administration and general.....	4.8	2.3	2.5
	14.0	12.9	1.1

Energy, Mines and Resources

Expenditures of the Department of Energy, Mines and Resources including Atomic Energy of Canada Limited and Atomic Energy Control Board which in previous years had been shown under a separate heading, the Dominion Coal Board and the National Energy Board amounted to \$182 million, a decrease of \$21 million from the 1967-68 total.

Expenditures of the Cape Breton Development Corporation and expenditures for subventions in respect of eastern coal which were included in expenditures of this department in 1967-68 are now included in the expenditures of the Department of Regional Economic Expansion. Previous years figures have been adjusted for purposes of comparison.

TABLE 12
(in millions of dollars)

ENERGY, MINES AND RESOURCES	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Mines, minerals, energy and geosciences—			
Emergency gold mining assistance.....	14.6	15.2	-0.6
Field and air surveys, mapping and aeronautical charting.....	10.5	10.1	0.4
Geological research.....	10.0	9.4	0.6
Mining and metallurgical investigations and research.....	8.5	7.6	0.9
Research in astronomy and geophysics.....	5.3	5.4	-0.1
Polar continental shelf.....	2.0	1.6	0.4
Other.....	2.6	3.8	-1.2
	53.5	53.1	0.4
Water and co-ordination of renewable resources programs—			
Marine surveys and research.....	19.0	20.3	-1.3
Research and investigations on water resources.....	16.4	13.3	3.1
Contributions to provinces towards construction of dams and other works.....	3.3	6.9	-3.6
Other.....	2.5		2.5
	41.2	40.5	0.7
Administration and general.....	6.1	5.2	0.9
	100.8	98.8	2.0
Atomic Energy of Canada Limited.....	68.6	66.5	2.1
Atomic Energy Control Board.....	4.0	2.8	1.2
Dominion Coal Board.....	7.1	33.6	-26.5
National Energy Board.....	1.5	1.6	-0.1
	182.0	203.3	-21.3

Expenditures for mines, minerals, energy and geosciences were \$53 million compared with \$53 million in 1967-68. The larger items in these expenditures were \$14 million for emergency gold mining assistance compared with \$15 million in 1967-68, \$10 million for field and air surveys compared with \$10 million, \$10 million for geological research compared with \$9 million, \$9 million for mining and metallurgical investigations and research compared with \$8 million and \$5 million for research in astronomy and geophysics compared with \$5 million in 1967-68.

Expenditures for Atomic Energy of Canada Limited were \$69 million, an increase of \$2 million, for Atomic Energy Control Board \$4 million, an increase of \$1 million, for the Dominion Coal Board \$7 million, a decrease of \$26 million and for the National Energy Board \$2 million in each fiscal year.

Expenditures for water and co-ordination of renewable resources programs were \$41 million compared with \$41 million in 1967-68. Included in these expenditures were \$19 million for marine surveys and research compared with \$20 million in 1967-68 and \$16 million for research and investigations on water resources compared with \$13 million in 1967-68.

External Affairs

Expenditures of the Department of External Affairs amounted to \$225 million for 1968-69, \$9 million more than the total for the previous year.

Expenditures of the Canadian international development agency, formerly the external aid office, were \$141 million compared with \$135 million in 1967-68. Included in these expenditures were \$69 million for the international food aid program (\$76 million in 1967-68), \$62 million for international development assistance (\$50 million in 1967-68) and \$5 million for contributions to approved development assistance projects undertaken by Canadian non-governmental organizations, a new program in 1968-69.

TABLE 13
(in millions of dollars)

EXTERNAL AFFAIRS	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Canadian International Development Agency—			
Economic, technical, educational and other assistance—			
International food aid program.....	68.9	76.3	-7.4
International development assistance.....	61.9	50.0	11.9
Contributions to approved development assistance projects undertaken by Canadian non-govern- mental organizations.....	5.0		5.0
Contribution to the Indus Basin development fund..	1.4	5.0	-3.6
Other.....	0.2	0.7	-0.5
Administration.....	3.9	2.8	1.1
	141.3	134.8	6.5
International Joint Commission.....	0.4	0.4	
Contributions, grants and payments to international commis- sions and organizations—			
United nations and its agencies.....	15.3	15.3	
Miscellaneous grants and payments.....	2.8	3.7	-0.9
Other international commissions and organizations.....	0.1	0.1	
Commonwealth organizations.....	(1)	(1)	
	18.2	19.1	-0.9
Assessments for membership in international commissions and organizations—			
United nations and its agencies.....	9.8	9.9	-0.1
Other international commissions and organizations.....	2.6	2.7	-0.1
Commonwealth organizations.....	0.3	0.3	
	12.7	12.9	-0.2
Construction, acquisition or improvement of buildings, works, land, equipment and furnishings.....	7.0	6.5	0.5
Administration, operation, maintenance and general.....	45.4	42.0	3.4
	225.0	215.7	9.3

(1) Less than \$50,000.

Contributions, grants and payments to international commissions and organizations were \$18 million compared with \$19 million in 1967-68, assessments for membership in international commissions and organizations were \$13 million in 1968-69, the same as the previous year and administration, operation, maintenance and general costs were \$45 million compared with \$42 million.

Finance

Expenditures of the Department of Finance amounted to \$2,420 million in 1968-69 compared with \$2,121 million in 1967-68. These figures include expenditures of the Auditor General's Office and the Department of Insurance which formerly were shown under separate headings but exclude expenditures of the former Comptroller of the Treasury whose duties and responsibilities are now included in the Department of Supply and Services.

The main items accounting for the increase of \$299 million were public debt charges which were \$178 million higher than in 1967-68 and payments to provinces which were \$130 million higher than in 1967-68.

TABLE 14
(in millions of dollars)

FINANCE	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Public debt charges.....	1,479.0	1,300.8	178.2
Fiscal, subsidy and other payments to provinces.....	867.1	737.5	129.6
Municipal grants.....	43.7	41.5	2.2
Forgiveness of indebtedness—municipal development and loan board.....	3.5	17.4	-13.9
Royal Canadian Mint.....	4.6	4.0	0.6
Auditor General's Office.....	2.6	2.3	0.3
Insurance.....	2.0	1.9	0.1
Administration and general.....	17.2	15.6	1.6
	2,419.7	2,121.0	298.7

Public debt charges

Public debt charges consist of interest on the public debt, the annual amortization of bond discounts and commissions, the cost of issuing new loans and other costs incurred in servicing the public debt. These charges were \$1,479 million compared with \$1,301 million in 1967-68.

Interest on public debt totalled \$1,442 million, of which \$1,142 million was in respect of unmatured debt and \$300 million in respect of other liabilities. In 1967-68 total interest was \$1,270 million of which \$980 million was in respect of unmatured debt and \$290 million in respect of other liabilities.

The increase of \$161 million in interest on unmatured debt reflected an increase in unmatured debt and higher interest rates. The increase in interest on other liabilities was due mainly to increases in the superannuation accounts.

Other public debt charges were \$37 million compared with \$31 million in 1967-68.

When considering the magnitude of these public debt charges and the burden they place upon the public treasury, it must be borne in mind that a substantial portion of the debt is attributable to, or is invested in, productive or earning assets. Therefore, in calculating the *net* burden of the government's annual interest charges, the income derived from loans, investments and other productive assets must be taken into account. For 1968-69 this income totalled \$693 million as shown in the non-tax revenue section under the heading "return on investments". This amount deducted from the gross total of \$1,442 million for interest as shown in the table leaves a net amount of \$749 million compared with a net of \$658 million in 1967-68. Measured as a percentage of the net debt the burden of the net annual interest charges was 4.32 per cent in 1968-69 compared with 3.92 per cent in 1967-68. As a percentage of the gross national product for the calendar year ending within the fiscal year, the relative burden was 1.11 per cent compared with 1.06 per cent in 1967-68.

TABLE 15
(in millions of dollars)

INTEREST AND OTHER PUBLIC DEBT CHARGES	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Interest on public debt—			
Unmatured debt including treasury bills—			
Payable in Canada.....	1,121.0	967.9	153.1
Payable outside Canada.....	21.0	12.6	8.4
	1,142.0	980.5	161.5
Other liabilities—			
Annuity, insurance and pension accounts.....	286.0	273.8	12.2
Deposit and trust accounts.....	7.0	4.6	2.4
Refundable portion of corporation income tax.....	7.0	11.1	—4.1
	300.0	289.5	10.5
Total interest on public debt.....	1,442.0	1,270.0	172.0
Other public debt charges—			
Annual amortization of bond discounts and commissions.....	32.0	26.3	5.7
Cost of issuing new loans.....	3.0	2.9	0.1
Servicing of public debt.....	2.0	1.6	0.4
	37.0	30.8	6.2
	1,479.0	1,300.8	178.2

TABLE 16
(in millions of dollars)

NET BURDEN OF ANNUAL INTEREST CHARGES	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Total interest on public debt.....	1,442.0	1,270.0	172.0
Less return on investments.....	-693.0	-612.3	-80.7
Net interest cost.....	749.0	657.7	91.3
Net interest cost as a percentage of net debt.....	4.32	3.92	

Fiscal, subsidy and other payments to provinces

Budgetary expenditure was charged with \$867 million for payments to the provinces, \$130 million more than in 1967-68.

Payments of \$644 million under the Federal-Provincial Fiscal Arrangements Act were \$81 million higher than in 1967-68. However, during 1967-68 amounts due to the provinces for the years 1962 to 1966 inclusive were recalculated on the basis of revised population figures for those years. This resulted in overpayments to the provinces of \$38 million. These overpayments have been recorded in the asset category "loans to provincial governments" and the 1967-68 charge to budgetary expenditure was reduced to \$564 million.

Payments of \$187 million under the Established Programs (Interim Arrangements) Act were made to the Province of Quebec in compensation to that province for its opting out of the following programs: hospital insurance and diagnostic services, old age assistance, disabled persons allowances, blind persons allowances, unemployment assistance and Canada assistance plan; and in part, the general health grants program. Payments totalled \$153 million in 1967-68.

Subsidies to provinces payable under the British North America Acts and other statutory authority were \$32 million the same as in 1967-68.

The transfer of certain public utility tax receipts was \$21 million in 1968-69, \$14 million more than in 1967-68 and represented the transferable portion of income tax received from corporations whose main business was the distribution to, or generation for distribution to, the public of electrical energy, gas and steam.

The Federal-Provincial Fiscal Revision Act, 1964, provides that where, in any fiscal year commencing on or after April 1, 1964, the federal savings

in respect of a province providing schooling allowances exceeds the federal revenue abatement in respect of that province for the taxation year ending in that fiscal year, the Minister of Finance may, out of the consolidated revenue fund, pay to that province in respect of that fiscal year an amount equal to the excess and where for a taxation year ending in any fiscal year commencing on or after April 1, 1964 the federal revenue abatement in respect of a province providing schooling allowances exceeds the federal savings in that fiscal year in respect of that province, the amount of the excess may be deducted from any payment to that province under the Federal-Provincial Fiscal Arrangements Act or under any subsequent Act of the Parliament of Canada substituted therefor, or may be otherwise recovered as a debt due to Canada by that province. The abatement for the taxation year 1968 and the revised abatement for the taxation year 1967 in respect of the Province of Quebec exceeded the federal savings by \$17 million which has been recovered from payments to the province under the Federal-Provincial Fiscal Arrangements Act; in 1967-68 the abatement for the taxation year 1967 exceeded the federal savings by \$19 million and was recovered.

TABLE 17
(in millions of dollars)

FISCAL, SUBSIDY AND OTHER PAYMENTS TO PROVINCES	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Payments under the Federal-Provincial Fiscal Arrangements Act ⁽¹⁾	624.4	601.7	22.7
Transferred to "loans to provincial governments" ⁽²⁾	18.5	-38.1	56.6
Credited to Revenue—Return on Investments.....	1.4		1.4
Charged to budgetary expenditure.....	644.3	563.6	80.7
Payments under the Established Programs (Interim Arrangements) Act ⁽³⁾	186.9	153.0	33.9
Statutory subsidies.....	31.7	31.7	
Payments under the Federal-Provincial Tax-Sharing Arrangements Act.....		1.3	-1.3
Transfer of certain public utility tax receipts.....	21.0	6.7	14.3
Federal-Provincial Fiscal Revision Act (youth allowances) ⁽⁴⁾	-16.8	-18.8	2.0
	867.1	737.5	129.6

⁽¹⁾Gross prior to recovery of an excess abatement under the Federal-Provincial Fiscal Revision Act (youth allowances) to the Province of Quebec.

⁽²⁾Overpayments resulting from a recalculation of these payments on the basis of revised population figures for the years 1962 to 1966 inclusive.

⁽³⁾Payments made to the Province of Quebec in respect of opting out agreements.

⁽⁴⁾Recovered from payments to the Province of Quebec under the Federal-Provincial Fiscal Arrangements Act.

A summary of payments by provinces is given in the following table:

TABLE 18
(in millions of dollars)

FISCAL, SUBSIDY AND OTHER PAYMENTS TO PROVINCES	Fiscal year ended March 31, 1969 (preliminary)					Total
	Payments under fiscal arrange- ments	Payments under Interim Arrange- ments Act	Statutory subsidies	Recovery under the Federal- Provincial Fiscal Revision Act (youth allow- ances)	Transfer of certain public utility tax receipts	
Newfoundland.....	73.2		9.6		1.2	84.0
Nova Scotia.....	88.0		2.1		1.9	92.0
Prince Edward Island.....	14.8		0.7		0.2	15.7
New Brunswick.....	76.6		1.8		0.1	78.5
Quebec.....	296.4	186.9	4.0	-16.8	2.9	473.4
Ontario.....	21.7		4.6		5.5	31.8
Manitoba.....	45.0		2.1		0.9	48.0
Saskatchewan.....	22.4		2.1		0.1	24.6
Alberta.....	6.9		3.0		7.4	17.3
British Columbia.....	-0.7		1.7		0.6	1.6
Yukon and Northwest Territories.....					0.2	0.2
	644.3	186.9	31.7	-16.8	21.0	867.1

Municipal grants

Payments to municipalities and provinces in lieu of taxes on federal property amounted to \$44 million compared with \$42 million in 1967-68.

Municipal development and loan board

Under the Municipal Development and Loan Act, advances are made to the municipal development and loan board to provide financial assistance by way of loans to municipalities to augment or accelerate capital works programs. The act also provides that the board shall, under certain conditions, forgive payments by the municipality of 25 per cent of the principal amount of the loan. During 1968-69 payments forgiven amounted to \$4 million compared with \$18 million in the previous year.

Fisheries and Forestry

This is a new department which is comprised of the former Department of Fisheries and the forestry branch of the Department of Forestry.

Expenditures were \$71 million in 1968-69, a decrease of \$3 million from comparable amounts in 1967-68.

Fisheries management and development accounted for \$32 million compared with \$35 million in 1967-68 and included \$9 million in each year for conservation and protection, \$8 million for resource development compared with \$6 million in 1967-68 and \$4 million for grants, contributions and subsidies compared with \$9 million in 1967-68.

TABLE 19
(in millions of dollars)

FISHERIES AND FORESTRY	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Fisheries management and development—			
Conservation and protection services.....	9.2	9.4	—0.2
Resource development service.....	7.9	6.3	1.6
Grants, contributions and subsidies.....	4.0	8.5	—4.5
Inspection service.....	3.3	3.1	0.2
Industrial development service.....	3.2	3.6	—0.4
Canadian share of the expenses of international commissions.....	1.5	1.3	0.2
Other.....	3.1	2.8	0.3
	32.2	35.0	—2.8
Fisheries Research Board of Canada.....	15.7	14.6	1.1
Forestry—			
Regional research and services.....	10.7	10.7	
Research institutes.....	6.3	7.3	—1.0
Contributions to provinces.....	1.0	1.1	—0.1
Other.....	1.9	1.9	
	19.9	21.0	—1.1
Administration and general.....	3.2	3.2	
	71.0	73.8	—2.8

The fisheries research board accounted for \$16 million compared with \$15 million and forestry accounted for \$20 million compared with \$21 million.

Governor General

Included in these expenditures are the salaries of the Governor General of Canada and the Lieutenant-Governors of the provinces and other expenses of these offices. Expenditures were \$1 million in 1968-69, the same as in 1967-68.

Indian Affairs and Northern Development

Expenditures of the Department of Indian Affairs and Northern Development were \$265 million, \$34 million higher than in 1967-68.

Expenditures for Indian affairs were \$142 million compared with \$123 million in 1967-68. Costs of education were \$70 million (\$59 million in 1967-68) and outlays for development and maintenance of Indian communities were \$65 million (\$57 million in 1967-68).

TABLE 20
(in millions of dollars)

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Indian affairs—			
Education.....	70.0	58.9	11.1
Development and maintenance of Indian communities...	64.5	57.0	7.5
Administration and general.....	7.0	6.6	0.4
	141.5	122.5	19.0
Northern program—			
Regional development.....	15.5	13.6	1.9
Education.....	16.0	12.3	3.7
Resource and economic development.....	14.0	13.6	0.4
Payments to the Governments of the Yukon Territory and Northwest Territories.....	12.0	9.4	2.6
Northern mineral assistance grants.....	2.0	2.8	—0.8
Administration and general.....	19.6	17.9	1.7
	79.1	69.6	9.5
Conservation—			
National parks.....	26.0	23.5	2.5
Historic sites.....	7.0	5.5	1.5
Canadian wildlife service.....	5.0	3.8	1.2
Administration and general.....	3.4	3.9	—0.5
	41.4	36.7	4.7
Administration and general.....	3.0	2.6	0.4
	265.0	231.4	33.6

Expenditures of the northern program were \$79 million compared with \$70 million in 1967-68. Regional development costs were \$16 million (\$14 million in 1967-68), education costs were \$16 million (\$12 million in 1967-68), resource and economic development costs were \$14 million, the same as last year and payments to the Yukon Territory and the Northwest Territories were \$12 million (\$9 million in 1967-68).

Expenditures for conservation were \$41 million compared with \$37 million in 1967-68. Outlays for national parks were \$26 million (\$24 million in 1967-68), for historic sites \$7 million (\$6 million in 1967-68) and for the Canadian wildlife service \$5 million (\$4 million in 1967-68).

Industry and Trade and Commerce

This is a new department and includes expenditures formerly under the Department of Industry, with the exception of those in respect of incentives for the development of industrial employment opportunities and those for the area development agency which are now under the Department of Regional Economic Expansion, expenditures formerly under the Department of Trade and Commerce, with the exception of those for the standards branch now under the Department of Consumer and Corporate Affairs and those for the Canadian government exhibition commission now under the Department of Public Works, and expenditures for the Dominion Bureau of Statistics.

Expenditures totalled \$204 million in 1968-69. Comparable expenditures in 1967-68 were \$186 million.

TABLE 21
(in millions of dollars)

INDUSTRY AND TRADE AND COMMERCE	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Industry—			
Technological capability (defence).....	25.0	33.5	—8.5
Capital subsidies for construction of commercial and fishing vessels.....	23.4	39.3	—15.9
General incentives to industry for the expansion of scientific research and development in Canada.....	20.5	2.1	18.4
Technological capability (non-defence).....	5.5	6.4	—0.9
Administration and general.....	12.1	10.8	1.3
	86.5	92.1	—5.6
Trade and Commerce—			
Canadian wheat board—			
Carrying costs of temporary wheat reserves.....	51.0	31.4	19.6
Prairie Grain Advance Payments Act.....	0.9	0.7	0.2
Payments to the board.....	8.6	2.7	5.9
Trade commissioner service.....	10.4	10.3	0.1
Canadian government travel bureau.....	9.8	10.0	—0.2
Canadian government participation in world exhibitions.....	2.3	7.0	—4.7
Administration and general.....	9.8	9.6	0.2
	92.8	71.7	21.1
Dominion Bureau of Statistics.....	24.7	22.5	2.2
	204.0	186.3	17.7

Expenditures in respect of industry totalled \$86 million compared with \$92 million in 1967-68. Included therein was \$25 million to develop and sustain the technological capability of Canadian defence and related industry (\$34 million in 1967-68), \$23 million in capital subsidies for the construction of commercial and fishing vessels (\$39 million in 1967-68) and \$21 million in general incentives to industry for the expansion of scientific research and development in Canada (\$2 million in 1967-68).

Trade and commerce expenditures totalled \$93 million compared with \$72 million in the previous fiscal year. Payments in respect of the carrying costs of temporary wheat reserves were \$51 million compared with \$31 million in 1967-68 and costs of the trade commissioner service and the Canadian government travel bureau were each \$10 million in both 1968-69 and 1967-68.

Expenditures of the Dominion Bureau of Statistics were \$25 million, \$2 million more than in 1967-68.

Justice

Expenditures of the Department of Justice amounted to \$17 million compared with \$15 million in 1967-68.

Judges salaries, travelling allowances and pensions were \$12 million compared with \$11 million in 1967-68 and administration and general costs were \$5 million compared with \$4 million.

TABLE 22
(in millions of dollars)

JUSTICE	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Judges salaries, travelling allowances and pensions.....	12.3	11.8	0.5
Administration and general.....	4.7	3.6	1.1
	17.0	15.4	1.6

Labour

Expenditures of the Department of Labour now include those of the Unemployment Insurance Commission which were reported under a separate heading in 1967-68.

Total expenditures in 1968-69 were \$138 million compared with \$118 million in 1967-68.

TABLE 23
(in millions of dollars)

LABOUR	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Unemployment Insurance Commission—			
Government's contribution to the unemployment insurance fund.....	86.0	69.5	16.5
Administration of the Unemployment Insurance Act....	40.0	37.6	2.4
	126.0	107.1	18.9
Labour standards and benefits.....	6.4	5.5	0.9
Research and development.....	2.4	2.2	0.2
Labour relations.....	1.2	1.3	—0.1
Administration and general.....	2.0	1.9	0.1
	138.0	118.0	20.0

Expenditures in respect of the unemployment insurance commission were \$126 million and included the government's contribution of \$86 million to the fund and \$40 million for administration costs. In 1967-68 comparable amounts were \$107 million, \$69 million and \$38 million respectively.

Other expenditures of the department included \$6 million for labour standards and benefits (\$5 million in 1967-68), \$2 million for research and development (\$2 million in 1967-68) and \$1 million for labour relations (\$1 million in 1967-68).

Legislature

Costs of Legislature were \$18 million in 1968-69, the same as in 1967-68.

TABLE 24
(in millions of dollars)

LEGISLATURE	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
House of Commons.....	14.3	14.3	
The Senate.....	3.5	3.4	0.1
Library of Parliament.....	0.7	0.6	0.1
	18.5	18.3	0.2

Manpower and Immigration

Expenditures of the Department of Manpower and Immigration totalled \$415 million compared with \$418 million in 1967-68.

In accordance with the government reorganization the experimental projects branch formerly included under this department is now included under the Department of Regional Economic Expansion.

TABLE 25
(in millions of dollars)

MANPOWER AND IMMIGRATION	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Development and utilization of manpower—			
Adult occupational training program.....	190.6	105.1	85.5
Capital assistance in the provision of training facilities..	98.0	119.3	—21.3
Employment services.....	38.0	32.3	5.7
Municipal winter works incentive program.....	22.0	30.5	—8.5
Payments to provinces under the Technical and Vocational Training Assistance Act.....	4.3	85.6	—81.3
Other.....	19.0	16.2	2.8
	\$71.9	\$89.0	—17.1
Immigration.....	22.8	21.6	1.2
Program development.....	6.3	2.9	3.4
Assistance to Czechoslovakian refugees.....	8.1		8.1
Immigration appeal board.....	0.6	0.3	0.3
Administration and general.....	5.3	4.1	1.2
	415.0	417.9	—2.9

Development and utilization of manpower accounted for \$372 million compared with \$389 million in the previous fiscal year. The main items were \$191 million for the adult occupational training program, \$86 million more than in 1967-68; \$98 million for capital assistance in the provision of training facilities, \$21 million less than in 1967-68; \$38 million for employment services, \$6 million more than in 1967-68; and \$22 million for the municipal winter works incentive program, \$9 million less than in 1967-68.

Outlays for immigration were \$23 million compared with \$22 million in 1967-68, costs of program development were \$6 million compared with \$3 million and special assistance to Czechoslovakian refugees was \$8 million.

National Defence

Expenditures of the Department of National Defence totalled \$1,762 million for 1968-69 and were \$6 million more than the total of \$1,756 million for 1967-68.

Expenditures for the Canada emergency measures organization formerly shown under the Department of Defence Production are now included in expenditures of the Department of National Defence and expenditures in respect of the defence research telecommunications establishment formerly included

TABLE 26
(in millions of dollars)

NATIONAL DEFENCE	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Defence services—			
Operation and maintenance.....	1,265.0	1,237.4	27.6
Construction or acquisition of buildings, works, land and major equipment.....	223.0	277.5	—54.5
Development.....	14.7	13.0	1.7
Other.....	1.5	0.3	1.2
	1,504.2	1,528.2	—24.0
Pensions and other benefits—			
Canadian forces superannuation account—			
Government's contribution.....	57.0	58.4	—1.4
Amortization of deferred charges.....	104.8	72.6	32.2
Government's contribution as an employer to the Canada pension plan and the Quebec pension plan.....	7.8	8.1	—0.3
Payments under Parts I-IV of the Defence Services Pension Continuation Act.....	9.2	9.3	—0.1
Other.....	0.3	0.3	
	179.1	148.7	30.4
Defence Research.....	47.4	45.0	2.4
Mutual aid to NATO countries including contributions towards military costs of NATO.....	15.3	18.0	—2.7
Canada Emergency Measures Organization.....	6.9	8.0	—1.1
Defence Construction (1951) Limited.....	2.3	2.2	0.1
Administration and general.....	6.8	6.0	0.8
	1,762.0	1,756.1	5.9

under the Department of National Defence are now included under the Department of Communications.

Expenditures of \$1,504 million for defence services included \$1,265 million for operation and maintenance, \$223 million for construction or acquisition of buildings, works, land and major equipment and \$15 million for development. In 1967-68 expenditures of \$1,528 million for defence services included \$1,237 million for operation and maintenance, \$278 million for construction or acquisition and \$13 million for development.

Expenditures for pensions and other benefits totalled \$179 million and included \$162 million in respect of the Canadian forces superannuation account, \$8 million for the government's contribution as an employer to the Canada pension plan and the Quebec pension plan and \$9 million in payments under Parts I—IV of the Defence Services Pension Continuation Act. In 1967-68 expenditures totalled \$149 million of which \$131 million was in respect of the superannuation account, \$8 million for the government's contribution as an employer to the Canada pension plan and the Quebec pension plan and \$9 million for payments under Parts I—IV of the Defence Services Pension Continuation Act.

The government's contribution to the Canadian forces superannuation account, of an amount equal to $1\frac{2}{3}$ times the contributions of the permanent services personnel, was \$57 million compared with \$58 million in 1967-68. An amount of \$105 million, equal to one fifth of the actuarial deficiency arising out of pay increases was also charged to budgetary expenditure in 1968-69.

Defence research costs of \$47 million were \$2 million more than in 1967-68.

Mutual aid to NATO countries including contributions towards military costs of NATO at \$15 million were \$3 million less than in 1967-68.

Expenditures in respect of the Canada Emergency Measures Organization were \$7 million, a decrease of \$1 million from the previous fiscal year.

National Health and Welfare

Expenditures of the Department of National Health and Welfare totalled \$1,670 million compared with \$1,509 million in 1967-68.

Expenditures of the medical research council which were formerly included under the expenditures of the National Research Council are now included herein.

Outlays for welfare services amounted to \$896 million compared with \$877 million in 1967-68; outlays for health insurance and resources were \$679 million compared with \$549 million; outlays for medical services were \$48 million compared with \$42 million; and outlays in respect of the medical research council were \$27 million compared with \$21 million.

TABLE 27
(in millions of dollars)

NATIONAL HEALTH AND WELFARE	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Welfare services—			
Family allowances.....	560.4	558.8	1.6
Family assistance.....	3.6	4.2	—0.6
Youth allowances.....	52.6	49.4	3.2
Canada assistance plan—payments to provinces.....	251.4	225.6	25.8
Disabled persons allowances.....	6.0	7.1	—1.1
Old age assistance.....	3.3	8.9	—5.6
Blind persons allowances.....	2.0	2.3	—0.3
Unemployment assistance.....	1.0	6.1	—5.1
Fitness and amateur sport.....	4.0	3.6	0.4
National welfare grants.....	2.0	1.9	0.1
Other.....	9.4	8.6	0.8
	895.7	876.5	19.2
Health insurance and resources—			
Government's contributions under the Hospital Insurance and Diagnostic Services Act.....	560.0	468.6	91.4
Health resources fund.....	37.5	32.7	4.8
Medical Care Act.....	33.0		33.0
Grants to provinces—			
General health.....	30.5	29.6	0.9
Hospital construction.....	16.8	16.4	0.4
Other.....	1.2	1.3	—0.1
	679.0	548.6	130.4
Medical services.....	48.2	42.5	5.7
Medical research council.....	26.5	21.0	5.5
Health services.....	7.6	8.6	—1.0
Food and drug services.....	9.0	7.9	1.1
Administration and general.....	4.0	3.9	0.1
	1,670.0	1,509.0	161.0

Family allowances, family assistance and youth allowances

These expenditures totalled \$617 million of which \$560 million was family allowances, \$53 million was youth allowances and \$4 million was family assistance. In 1967-68 the total was \$612 million of which \$559 million was family allowances, \$49 million was youth allowances and \$4 million was family assistance.

Family allowances are payable in respect of all children under sixteen years of age, resident in Canada, with minor exceptions such as in the case of children of immigrants who must reside in Canada one year before family allowance is payable. The monthly allowance is \$6 if the child is under 10 years of age and \$8 in the age group 10 to 15.

Family assistance is payable at the same rates to children of immigrants and settlers during their first year of residence in Canada.

Youth allowances are payable at the rate of \$10 per month in respect of persons resident in Canada who have attained the age of 16 years and have not attained the age of 18 years and who are in full-time attendance at a school or

university or are by reason of mental or physical infirmity precluded from attending school or university. No payments were made in respect of persons resident in the Province of Quebec. However, under authority of the Federal-Provincial Fiscal Revision Act, 1964, abatements in federal income tax otherwise payable by individuals resident in that province were allowed in compensation of the fact that the payment of youth allowances had been assumed by the province and to allow for the imposition of the required provincial income taxes.

TABLE 28
(in millions of dollars)

FAMILY ALLOWANCES, FAMILY ASSISTANCE AND YOUTH ALLOWANCES PAYMENTS	Fiscal year ended March 31, 1969 (preliminary)			
	Family allowances	Family assistance	Youth allowances	Total
Newfoundland.....	17.0	(¹)	1.7	18.7
Nova Scotia.....	21.6	(¹)	2.8	24.4
Prince Edward Island.....	3.1	(¹)	0.5	3.6
New Brunswick.....	18.4	(¹)	2.5	20.9
Quebec.....	163.6	0.5		164.1
Ontario.....	189.3	2.0	25.5	216.8
Manitoba.....	25.3	0.2	3.6	29.1
Saskatchewan.....	26.4	0.1	3.6	30.1
Alberta.....	43.5	0.3	5.5	49.3
British Columbia.....	50.7	0.5	6.8	58.0
Northwest and Yukon Territories.....	1.5	(¹)	0.1	1.6
	560.4	3.6	52.6	616.6

(¹) Less than \$50,000.

Canada assistance plan

Payments to provinces under the Canada assistance plan totalled \$252 million compared with \$226 million in 1967-68. The Canada Assistance Plan Act which was enacted in 1966 authorized the federal government to enter into agreements with the provinces for sharing the costs of assistance and welfare services provided by the provinces, territories and municipalities to persons in need, including the costs of food, shelter, clothing, fuel and utilities, essential household supplies, expenses incidental to a trade, care in a home for special care, travel and transportation, funerals and burials, health care services, prescribed welfare services including rehabilitation, and comfort allowances. The rate of federal contribution is 50 per cent of the shareable costs; the rates for assistance granted and the specific conditions of eligibility applied are determined by the provinces and their municipalities and take into account the budgetary requirements as well as the income and resources of the applicants. Contributions under this plan have replaced certain contributions which formerly had been made under the Old Age Assistance Act, the Disabled Persons Act, the Blind Persons Act and the Unemployment Assistance Act.

TABLE 29

(in millions of dollars)

CANADA ASSISTANCE PLAN	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Newfoundland.....	21.0	17.9	3.1
Nova Scotia.....	11.2	10.3	0.9
Prince Edward Island.....	2.3	1.7	0.6
New Brunswick.....	8.3	7.2	1.1
Ontario.....	116.1	100.3	15.8
Manitoba.....	15.1	15.6	—0.5
Saskatchewan.....	15.4	13.4	2.0
Alberta.....	25.5	26.5	—1.0
British Columbia.....	36.2	32.7	3.5
Northwest and Yukon Territories.....	0.3		0.3
	251.4	225.6	25.8

Old age assistance, disabled persons allowances, unemployment assistance and blind persons allowances

Contributions to the provinces for old age assistance totalled \$3 million in 1968-69 compared with \$9 million in 1967-68, for disabled persons allowances \$6 million compared with \$7 million, for unemployment assistance \$1 million compared with \$6 million and for blind persons allowances \$2 million compared with \$2 million.

The decreases noted above were due mainly to the fact that certain contributions to the provinces which in prior years were made under the Old Age Assistance Act, the Blind Persons Act, the Disabled Persons Act and the Unemployment Assistance Act are now being made under the Canada assistance plan. The decrease in old age assistance payments was also due to the lowering of the age limit for old age security benefits.

Under the Old Age Assistance Act, the federal government reimburses the provinces by paying 50 per cent of the lesser of \$75 monthly or the amount of assistance given by the provinces in the form of monthly pensions to eligible persons in need who have attained the age of 65 years. (Under the Old Age Security Act, all persons who satisfy the residence requirements of the act may receive a pension of \$78 (\$75 up to January 1, 1968 and \$76.50 to January 1, 1969) per month from the federal government out of the old age security fund provided that no pension is paid in any month before January 1966 in which the person had not attained 70 years of age, the age limit being reduced by one in each subsequent year until 1970. An amendment to the Old Age Security Act authorizes the payment of a monthly guaranteed income supplement to eligible pensioners. The amount of the supplement that may be paid to a pensioner for a month is (a) in the year 1967, \$30, and (b) in any year after 1967, 40 per cent of the amount of the pension that may be paid to him for that month, dependent upon the amount of his income for the preceding year.)

Similarly, the federal government reimburses the provinces under the Blind Persons Act for allowances of not more than \$75 per month to blind persons in need 18 years of age or over by paying 75 per cent of the total payments, and

under the Disabled Persons Act by paying 50 per cent of not more than \$75 per month for allowances to disabled persons in need 18 years of age or over.

Under the Unemployment Assistance Act, the Minister may, with the approval of the Governor in Council, enter into an agreement with any province for the payment by Canada to the province of contributions not exceeding 50 per cent of unemployment assistance costs in the province. Contributions in 1968-69 were \$1 million compared with \$6 million in 1967-68. Under federal-provincial agreement the Province of Quebec has opted out of a portion of this program.

The following table presents a distribution of these payments to provinces for 1968-69:

TABLE 30
(in millions of dollars)

FEDERAL SHARE OF OLD AGE ASSISTANCE, DISABLED PERSONS ALLOWANCES, BLIND PERSONS ALLOWANCES AND UNEMPLOYMENT ASSISTANCE	Fiscal year ended March 31, 1969 (preliminary)			
	Old age assistance	Disabled persons allowances	Blind persons allowances	Unem- ployment assistance
Newfoundland.....	0.2	0.5	0.3	
Nova Scotia.....	0.6	1.4	0.4	(1)
Prince Edward Island.....	(1)	(1)	(1)	(1)
New Brunswick.....	0.6	0.9	0.3	
Ontario.....	0.2	0.7	0.2	0.6
Manitoba.....	0.5	0.7	0.2	
Saskatchewan.....		0.1	0.1	
Alberta.....	0.5	0.7	0.2	0.3
British Columbia.....	0.7	1.0	0.3	
Northwest and Yukon Territories.....	(1)	(1)	(1)	0.1
	3.3	6.0	2.0	1.0

(1) Less than \$50,000.

Government's contributions under the Hospital Insurance and Diagnostic Services Act

Contributions of \$560 million to the provinces in 1968-69 under this act were \$91 million more than in 1967-68. Under federal-provincial agreement the Province of Quebec has opted out of this program.

TABLE 31
(in millions of dollars)

GOVERNMENT'S CONTRIBUTIONS UNDER THE HOSPITAL INSURANCE AND DIAGNOSTIC SERVICES ACT	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Newfoundland.....	20.4	15.5	4.9
Nova Scotia.....	28.3	24.0	4.3
Prince Edward Island.....	3.7	3.4	0.3
New Brunswick.....	22.2	19.5	2.7
Ontario.....	286.2	234.8	51.4
Manitoba.....	34.8	30.6	4.2
Saskatchewan.....	35.5	32.3	3.2
Alberta.....	59.2	49.8	9.4
British Columbia.....	68.2	57.4	10.8
Northwest and Yukon Territories.....	1.5	1.3	0.2
	560.0	468.6	91.4

General health grants and hospital construction grants to provinces

Grants to provinces for general health services totalled \$31 million compared with \$30 million in 1967-68 and for hospital construction they totalled \$17 million compared with \$16 million. Under federal-provincial agreement the Province of Quebec has opted out of a portion of this program.

TABLE 32
(in millions of dollars)

GENERAL HEALTH GRANTS AND HOSPITAL CONSTRUCTION GRANTS	Fiscal year ended March 31, 1969 (preliminary)		
	General health grants	Hospital construction grants	Total
Newfoundland.....	1.1	0.2	1.3
Nova Scotia.....	1.6	0.8	2.4
Prince Edward Island.....	0.4	0.1	0.5
New Brunswick.....	1.3	0.2	1.5
Quebec.....	1.7	1.4	3.1
Ontario.....	13.0	7.2	20.2
Manitoba.....	2.4	0.7	3.1
Saskatchewan.....	2.2	1.0	3.2
Alberta.....	2.8	1.5	4.3
British Columbia.....	3.9	3.7	7.6
Northwest and Yukon Territories.....	0.1	(1)	0.1
	30.5	16.8	47.3

(1) Less than \$50,000.

Health resources fund

The Health Resources Fund Act provides for the establishment of a health resources fund to assist provinces in the acquisition, construction and renovation of health training facilities and research institutions.

Expenditures in 1968-69 amounted to \$38 million compared with \$33 million in the previous fiscal year.

TABLE 33
(in millions of dollars)

CONTRIBUTIONS TO PROVINCES UNDER THE HEALTH RESOURCES FUND ACT	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Newfoundland.....	0.2	0.1	0.1
Nova Scotia.....	9.8	8.6	1.2
Prince Edward Island.....	0.1	0.1	
New Brunswick.....	1.4	1.2	0.2
Quebec.....	11.2	9.8	1.4
Ontario.....	9.7	8.6	1.1
Manitoba.....	0.6	0.5	0.1
Saskatchewan.....	0.1	0.1	
Alberta.....	1.9	1.6	0.3
British Columbia.....	2.5	2.1	0.4
	37.5	32.7	4.8

National Revenue

Expenditures of the Department of National Revenue amounted to \$120 million, an increase of \$5 million over the 1967-68 total of \$115 million.

Outlays of \$59 million in respect of the collection of customs import duties, excise taxes and excise duties were \$2 million higher and outlays of \$61 million in respect of taxation were \$3 million higher than in 1967-68.

TABLE 34
(in millions of dollars)

NATIONAL REVENUE	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Customs and excise.....	58.5	56.7	1.8
Taxation.....	61.2	58.1	3.1
Income tax appeal board.....	0.3	0.3	
	120.0	115.1	4.9

Privy Council

Expenditures of the Privy Council now include those of the Public Service Staff Relations Board, formerly set out under a separate heading, but those in respect of the Company of Young Canadians, formerly under the Privy Council, are now included in the expenditures of the Department of the Secretary of State.

Expenditures of \$10 million were \$1 million less than comparative expenditures in 1967-68.

TABLE 35
(in millions of dollars)

PRIVY COUNCIL	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Administration and general.....	6.9	8.6	-1.7
Economic Council of Canada.....	1.5	1.5	
Public Service Staff Relations Board.....	1.1	1.0	0.1
	9.5	11.1	-1.6

Public Works

Expenditures of the Department of Public Works now include those in respect of the Canadian Government Exhibition Commission which in 1967-68 were included in expenditures of the Department of Trade and Commerce. Those in respect of the National Capital Commission which in 1967-68 were reported under the Department of Public Works are now reported under the Department of Regional Economic Expansion.

Expenditures in 1968-69 totalled \$282 million compared with \$291 million in 1967-68.

TABLE 36
(in millions of dollars)

PUBLIC WORKS	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Accommodation services—			
Maintenance and operation of public buildings and grounds—			
National capital region.....	40.1	35.1	5.0
Other than national capital region.....	53.4	49.6	3.8
Acquisition of equipment and furnishings other than office furnishings.....	1.5	1.4	0.1
Construction, acquisition, major repairs, etc. of public buildings—			
Ottawa.....	41.3	24.8	16.5
Other than Ottawa.....	32.2	22.9	9.3
	168.5	133.8	34.7
Roads, bridges and other engineering services—			
Operation and maintenance.....	7.0	6.7	0.3
Construction, acquisition, major repairs and improvements of, and plans and sites for, roads, bridges and other engineering works.....	9.6	10.4	-0.8
Trans-Canada highway—			
Contributions to provinces under terms of the Trans-Canada Highway Act.....	33.0	64.7	-31.7
Construction through national parks.....	0.1	2.0	-1.9
	49.7	83.8	-34.1
Harbours and rivers engineering services—			
Operation and maintenance.....	8.5	7.6	0.9
Construction or acquisition of equipment.....	0.6	0.9	-0.3
Construction, acquisition, major repairs, etc. of harbour and river works.....	23.3	35.2	-11.9
Dry dock subsidies.....	0.2	0.2	
	32.6	43.9	-11.3
Canadian Government Exhibition Commission.....	5.2	5.4	-0.2
Testing laboratories.....	1.1	1.2	-0.1
Administration and general.....	24.9	22.8	2.1
	282.0	290.9	-8.9

Accommodation services

Expenditures for these services were \$169 million, \$35 million higher than the 1967-68 total.

Costs of maintenance and operation of public buildings and grounds were \$93 million compared with \$85 million in the previous year, costs of construction or acquisition of buildings, etc. were \$74 million compared with \$48 million and costs of acquisition of equipment and furnishings other than office furnishings were \$1 million, the same as in 1967-68.

Roads, bridges and other engineering services

Expenditures for these services totalled \$50 million, \$34 million less than in 1967-68. Contributions of \$33 million to provinces in respect of the Trans-Canada highway were \$32 million less than in 1967-68.

Harbours and rivers engineering services

Expenditures for these services totalled \$33 million, \$11 million less than in 1967-68 due mainly to a reduction in expenditure for construction, acquisition, major repairs, etc. of harbour and river works which amounted to \$23 million compared with \$35 million in the previous year.

Canadian Government Exhibition Commission

Expenditures of this commission which were transferred from the former Department of Trade and Commerce amounted to \$5 million approximately the same as in the previous year.

Regional Economic Expansion

The Department of Regional Economic Expansion was formed to be responsible for the Agricultural and Rural Development Act function and the fund for rural economic development (included in expenditures of the Department of Forestry and Rural Development in 1967-68), the Atlantic Development Board (included in expenditures of the Department of Transport in 1967-68), the Area Development Agency (included in expenditures of the Department of Industry in 1967-68), the experimental projects branch (included in expenditures of the Department of Manpower and Immigration in 1967-68), land rehabilitation, irrigation and water storage (included in expenditures of the Department of Agriculture in 1967-68), the National Capital Commission (included in expenditures of the Department of Public Works in 1967-68), and the Cape Breton Development Corporation (included in expenditures of the Department of Energy, Mines and Resources in 1967-68).

Expenditures in 1968-69 totalled \$170 million compared with expenditures in 1967-68 of \$160 million.

The increase of \$10 million was due mainly to an increase of \$30 million in respect of the Cape Breton Development Corporation which was partly offset by reductions of \$19 million in other programs.

TABLE 37

(in millions of dollars)

REGIONAL ECONOMIC EXPANSION	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Atlantic Development Board.....	42.0	42.4	—0.4
Cape Breton Development Corporation.....	32.0	1.6	30.4
National Capital Commission.....	22.0	23.2	—1.2
Department.....	74.0	92.4	—18.4
	170.0	159.6	10.4

Outlays of \$42 million in respect of the Atlantic Development Board were approximately the same as in 1967-68, expenditures in respect of the Cape Breton Development Corporation totalled \$32 million compared with \$2 million, expenditures in respect of the National Capital Commission were \$22 million compared with \$23 million in 1967-68. Other expenditures totalled \$74 million compared with \$92 million in 1967-68.

Secretary of State

The expenditures of the Department of the Secretary of State now include those in respect of the Canadian Radio-Television Commission (formerly the Board of Broadcast Governors), the Canadian Broadcasting Corporation, the Office of the Chief Electoral Officer, the National Film Board, the National Museums of Canada, the Public Archives and National Library and the Public Service Commission which were reported under separate headings in 1967-68; and the expenditures relating to the Company of Young Canadians which in 1967-68 were reported under Privy Council.

These expenditures totalled \$530 million in 1968-69 compared with \$366 million in 1967-68.

The increase of \$164 million was due mainly to increases of \$169 million in payments to the provinces for post-secondary education (\$277 million compared with \$108 million), \$13 million in respect of the Chief Electoral Officer (\$14 million compared with \$1 million), reflecting the cost of the 1968 federal election and \$9 million in respect of the Canadian Broadcasting Corporation (\$152 million compared with \$143 million) and decreases of \$31 million for the Centennial Commission (nil expenditures compared with \$31 million) and \$4 million for construction and acquisition in respect of the National Arts Centre (\$15 million compared with \$20 million).

TABLE 38
(in millions of dollars)

SECRETARY OF STATE	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Post-secondary education payments to provinces.....	277.0	108.0	169.0
Construction or acquisition of buildings, works, land and equipment—National Arts Centre.....	15.4	19.5	—4.1
Citizenship.....	4.4	3.3	1.1
Translation bureau.....	4.6	4.1	0.5
Administration and general.....	2.1	2.1	
	303.5	137.0	166.5
Centennial Commission.....		31.2	—31.2
Canada Council.....	20.4	16.9	3.5
Canadian Broadcasting Corporation.....	152.5	143.3	9.2
Canadian Film Development Corporation.....	0.3		0.3
Canadian Radio-Television Commission ⁽¹⁾	1.9	1.0	0.9
Office of the Chief Electoral Officer.....	13.9	0.7	13.2
Company of Young Canadians.....	1.8	2.4	—0.6
National Arts Centre Corporation.....	1.1	1.0	0.1
National Film Board.....	10.5	9.3	1.2
National Library.....	1.6	1.6	
National Museums of Canada.....	7.0	6.6	0.4
Public Archives.....	2.2	2.0	0.2
Public Service Commission.....	13.2	12.6	0.6
Office of the Representation Commissioner.....	0.1	0.1	
	530.0	365.7	164.3

⁽¹⁾ Formerly the Board of Broadcast Governors.

Solicitor General

Expenditures of the Department of the Solicitor General totalled \$160 million, \$7 million more than the previous year's total. The main changes were increases of \$13 million in respect of the Royal Canadian Mounted Police and a decrease of \$6 million in respect of correctional services.

TABLE 39
(in millions of dollars)

SOLICITOR GENERAL	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Royal Canadian Mounted Police—			
National police services, federal law enforcement duties and provincial and municipal policing under contract—			
Administration, operation and maintenance.....	72.0	61.9	10.1
Construction or acquisition of buildings, works, land and equipment.....	6.4	10.0	-3.6
Pensions and other benefits—			
Pensions.....	5.9	5.4	0.5
Royal Canadian Mounted Police superannuation account—			
Government's contribution.....	6.6	4.2	2.4
Amortization of deferred charges.....	7.8	5.3	2.5
Other.....	1.6	0.9	0.7
	100.3	87.7	12.6
Correctional services—			
Administration of the Canadian penitentiary service....	1.9	1.0	0.9
Operation and maintenance of penitentiaries.....	40.4	39.1	1.3
Parole Act administration.....	2.1	1.6	0.5
Construction or acquisition of buildings, works, land and equipment.....	14.0	23.1	-9.1
	58.4	64.8	-6.4
Office of the Solicitor General.....	1.3	1.0	0.3
	160.0	153.5	6.5

Correctional services

Expenditures of \$58 million in respect of correctional services were \$6 million less than in 1967-68 and included outlays of \$40 million for operation and maintenance of penitentiaries compared with \$39 million in 1967-68 and \$14 million for construction or acquisition of buildings, works, land and equipment compared with \$23 million in the previous fiscal year.

Royal Canadian Mounted Police

Gross expenditures were \$133 million in 1968-69 but receipts of \$33 million arising from services provided by those expenditures brought the net amount charged to budgetary expenditure to \$100 million. The receipts of \$33 million included \$31 million in payment for policing certain provinces, territories and municipalities and \$2 million in payment of rations, accommodation, etc.

In 1967-68, gross expenditures were \$119 million, receipts were \$31 million resulting in a charge of \$88 million to budgetary expenditures. Payment for policing services was \$30 million and payments for rations, accommodation, etc. were \$1 million.

Supply and Services

The Department of Supply and Services was newly formed in 1968-69 and is responsible for the supply of goods and services to departments and agencies of the Federal Government. These responsibilities consist of those of: the former

Department of Defence Production, less the Canada Emergency Measures Organization, now under the Department of National Defence and less the International Programs Branch, now under the Department of Industry and Trade and Commerce; the former Office of the Comptroller of the Treasury, formerly under the Department of Finance; the former Department of Public Printing and Stationery; the Management Advisory Services formerly under the Public Service Commission; the Shipbuilding Branch, formerly under the Department of Transport; the Canadian Arsenals Limited; the Canadian Commercial Corporation; the Polymer Corporation Limited; and the Crown Assets Disposal Corporation.

Expenditures of \$66 million in 1968-69 were \$1 million more than comparable expenditures in 1967-68.

TABLE 40
(in millions of dollars)

SUPPLY AND SERVICES	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Services—			
Central office and branch office administration.....	31.2	31.0	0.2
Superannuation and Retirement Acts administration....	1.1	1.1	
Management advisory services.....	0.9	0.7	0.2
Other.....	1.4		1.4
	34.6	32.8	1.8
Supply—			
Administration.....	22.0	20.8	1.2
Other.....	0.3	0.7	—0.4
	22.3	21.5	0.8
Public Printing and Stationery.....	4.0	4.9	—0.9
Canadian Commercial Corporation.....	1.9	2.0	—0.1
Canadian Arsenals Limited.....	0.3	0.4	—0.1
Administration and general.....	2.9	3.0	—0.1
	66.0	64.6	1.4

Outlays for services totalled \$35 million compared with \$33 million in the previous year and mainly consisted of \$31 million for central office and branch office administration.

Expenditures for supply amounted to \$22 million, an increase of \$1 million over the previous year.

The above increases were partly offset by expenditures of \$4 million for Public Printing and Stationery which decreased one million from the previous year's total.

Public Printing and Stationery costs were \$4 million compared with \$5 million in 1967-68, for the Canadian Commercial Corporation expenditures were \$2 million in each year and for administration and general, expenditures were \$3 million in each fiscal year.

Transport

Expenditures of the Department of Transport including those in respect of Central Mortgage and Housing Corporation, formerly reported under its own heading, the Canadian Transport Commission, the National Harbours Board and The St. Lawrence Seaway Authority totalled \$502 million in 1968-69 compared with \$534 million in 1967-68.

TABLE 41
(in millions of dollars)

TRANSPORT	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Marine services—			
Administration, operation and maintenance.....	45.0	45.5	-0.5
Construction or acquisition.....	39.0	46.3	-7.3
	84.0	91.8	-7.8
Railways and steamships—			
Maritime Freight Rates Act.....	19.4	14.2	5.2
Construction or acquisition.....	9.8	24.5	-14.7
Railway to Great Slave Lake.....	1.1	4.4	-3.3
Victoria bridge.....	0.9	0.9	
Operating deficits—			
Canadian National Railways.....	29.2	35.8	-6.6
Newfoundland ferry and terminals.....	16.7	16.5	0.2
Prince Edward Island car ferry and terminals.....	5.0	4.8	0.2
Yarmouth, N.S.—Bar Harbour, Maine, U.S.A. ferry service.....	0.3	0.4	-0.1
Railway employees' provident fund—deficit.....		6.6	-6.6
Other.....	0.7	0.6	0.1
	83.1	108.7	-25.6
Air services—			
Administration, operation and maintenance.....	96.7	83.0	13.7
Construction or acquisition.....	47.0	45.3	1.7
Grants, contributions, subsidies and other payments....	2.5	2.8	-0.3
	146.2	131.1	15.1
Administration and general.....	8.5	7.1	1.4
	321.8	338.7	-16.9
Central Mortgage and Housing Corporation—			
Urban renewal.....	16.4	9.7	6.7
Loans forgiven by the corporation.....	8.0	7.9	0.1
Losses sustained on federal-provincial projects.....	4.5	2.4	2.1
Housing research and community planning.....	4.5	3.1	1.4
	33.4	23.1	10.3
Canadian Transport Commission—			
Payments under the National Transportation Act.....	93.7	126.0	-32.3
Contributions to the railway grade crossing fund.....	15.0	15.0	
Steamship subventions.....	12.3	11.1	1.2
Subsidies to air carriers.....	2.1	1.2	0.9
Administration and general.....	4.9	3.6	1.3
	128.0	156.9	-28.9
National Harbours Board.....	7.0	4.8	2.2
The St. Lawrence Seaway Authority—			
Welland canal deficit.....	9.2	8.2	1.0
Other operating deficits and capital requirements.....	2.4	2.4	
	11.6	10.6	1.0
	501.8	534.1	-32.3

Expenditures which in 1967-68 were reported under the Department of Transport and which are now reported elsewhere are those in respect of: the Atlantic Development Board, now under the Department of Regional Economic Expansion; the Government Telecommunications Policy and Administrative Bureau and a portion of the Telecommunications and Electronics Branch, now under the Department of Communications; and the Shipbuilding Branch, now under the Department of Supply and Services.

Another factor affecting the department's expenditures is the authority contained in vote 5, marine services and vote 30, air services to credit thereto revenue arising from services provided thereunder. In 1968-69 this revenue was \$40 million in respect of vote 30 and \$10 million in respect of vote 5. In 1967-68 this revenue was \$38 million and \$9 million respectively.

Marine services

Net expenditures of \$84 million were \$8 million less than in 1967-68 and included \$45 million for administration, operation and maintenance compared with \$46 million in 1967-68 and \$39 million for construction or acquisition compared with \$46 million in the previous year. Revenue credited to the administration, operation and maintenance appropriations amounted to \$10 million, of which \$5 million was earnings from marine services steamers and \$2 million from wharfage rentals. In 1967-68 comparable revenue was \$9 million, of which \$5 million was earnings of marine services steamers and \$2 million was wharfage rentals.

Railways and steamships

These expenditures totalled \$83 million compared with \$109 million in 1967-68. The main items resulting in the decrease were construction or acquisition which were \$10 million in 1968-69 compared with \$25 million in 1967-68, the charge to budgetary expenditure of \$30 million compared with \$36 million in 1967-68 in respect of the Canadian National Railways operating deficits, the subsidy in respect of the railway to Great Slave Lake which was \$1 million compared with \$4 million, the payment of \$7 million in 1967-68 to cover the deficit in the railway employees provident fund for which there was no charge in 1968-69 and payments under the Maritime Freight Rates Act which were \$19 million compared with \$14 million.

Air services

Net expenditures of \$146 million were \$15 million more than in 1967-68 and included \$97 million for administration, operation and maintenance compared with \$83 million in 1967-68 and \$47 million for construction or acquisition compared with \$45 million. Revenue credited to the administration, operation and maintenance appropriation amounted to \$40 million of which \$16 million was from aircraft landing fees and \$15 million from concessions and rentals. In 1967-68 comparable revenue was \$38 million of which \$15 million was from aircraft landing fees and \$14 million from concessions and rentals.

Central Mortgage and Housing Corporation

Budgetary expenditure of the government in respect of Central Mortgage and Housing Corporation was \$33 million compared with \$23 million in 1967-68. Urban renewal at \$16 million accounted for \$7 million of the increase and losses sustained on federal-provincial projects accounted for \$2 million of the increase over 1967-68 figures.

Canadian Transport Commission

Expenditures of the Canadian Transport Commission amounted to \$128 million compared with \$157 million in 1967-68. The decrease was due mainly to payments to railway and transportation companies pursuant to the National Transportation Act which totalled \$94 million compared with \$126 million in 1967-68.

National Harbours Board

Non-active advances to the board which were charged to budgetary expenditure totalled \$7 million compared with \$5 million in 1967-68. Net increases reflected additional expenditures for reconstruction and capital expenditures of the Halifax, Churchill and Quebec harbours.

The St. Lawrence Seaway Authority

Budgetary expenditures in respect of The St. Lawrence Seaway Authority were \$11 million, \$1 million more than in 1967-68. The 1968 operating deficit of the Welland canal, charged to budgetary expenditure, was \$9 million compared with the 1967 deficit of \$8 million charged in 1967-68 and other operating deficits and capital requirements totalled \$2 million in each fiscal year.

Treasury Board

Expenditures of the Treasury Board, including the National Research Council, amounted to \$423 million compared with \$259 million in 1967-68. In 1967-68 the National Research Council was shown under a separate heading.

Public service superannuation account

The government's contribution to the public service superannuation account, in an amount equal to the estimated current and prior service payments of individuals in 1967-68, was \$66 million compared with \$60 million in 1967-68.

A further amount of \$84 million, equal to one fifth of the actuarial deficiencies arising out of pay increases, was also charged to budgetary expenditure compared with \$61 million in 1967-68.

Contingency for salary revisions

An amount of \$111 million was charged to budgetary expenditures to cover salary revisions in respect of 1968-69 and prior fiscal years and was credited to the liability account "Contingency for salary revisions".

Canada's contribution as an employer

These contributions totalled \$21 million approximately the same as in 1967-68. The main item was \$17 million to the Canada and Quebec pension plans the same as in the previous year.

TABLE 42
(in millions of dollars)

TREASURY BOARD	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Public service superannuation account—			
Government's contribution.....	66.0	59.6	6.4
Amortization of deferred charges.....	84.0	60.6	23.4
	150.0	120.2	29.8
Contingency for salary revisions.....	111.0		111.0
Government's contributions as an employer—			
Canada pension plan and the Quebec pension plan.....	17.4	17.3	0.1
Unemployment insurance fund.....	1.6	1.4	0.2
Death benefit account.....	1.7	1.7	
Pension plans for employees engaged locally outside Canada.....	0.1	0.2	—0.1
Hospital insurance (outside Canada) plan.....	0.4	0.3	0.1
	21.2	20.9	0.3
Government's share of surgical-medical insurance premiums.....	13.5	11.2	2.3
Payments under Public Service Pension Adjustment Act....	1.8	1.9	—0.1
Administration and general.....	8.3	4.4	3.9
	305.8	158.6	147.2
National Research Council—			
Scholarships and grants in aid of research.....	61.7	45.5	16.2
Construction or acquisition of buildings, works, land and equipment.....	5.4	9.3	—3.9
Assistance towards research in industry.....	6.1	5.0	1.1
Administration, operation and maintenance.....	44.0	40.9	3.1
	117.2	100.7	16.5
	423.0	259.3	163.7

National Research Council

Expenditures of the National Research Council, excluding the Medical Research Council which is now reported under the Department of National Health and Welfare, amounted to \$117 million compared with \$101 million in 1967-68.

Outlays for scholarships and grants in aid of research at \$62 million were \$16 million higher than in the previous year and costs of administration, operation and maintenance at \$44 million were \$3 million higher than in 1967-68. These increases were partly offset by the reduction of \$4 million in expenditures for construction or acquisition of buildings, works, land and equipment which were \$5 million compared with \$9 million in 1967-68.

Veterans Affairs

Expenditures of the Department of Veterans Affairs totalled \$427 million compared with \$401 million in the previous fiscal year.

War veterans allowances and civilian allowances at \$95 million were \$3 million less than in 1967-68, pensions for disability and death at \$223 million were \$17 million higher and costs of \$72 million for treatment services were approximately \$11 million higher than in the previous fiscal year.

TABLE 43
(in millions of dollars)

VETERANS AFFAIRS	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Pensions—			
Disability and death.....	223.0	205.6	17.4
Administration and general.....	3.0	3.1	-0.1
	<i>226.0</i>	<i>208.7</i>	<i>17.3</i>
Welfare services, allowances and other benefits—			
War veterans allowances and civilian allowances.....	95.5	98.4	-2.9
Assistance under provisions of the Assistance Fund (War Veterans Allowances) Regulations.....	6.5	6.4	0.1
Other benefits.....	6.0	2.6	3.4
Administration and general.....	4.7	6.8	-2.1
	<i>112.7</i>	<i>114.2</i>	<i>-1.5</i>
Treatment services.....	71.8	61.4	10.4
Soldier settlement and veterans land act—			
Provision for reserve for conditional benefits.....	4.3	4.0	0.3
Administration and general.....	5.3	5.5	-0.2
	<i>9.6</i>	<i>9.5</i>	<i>0.1</i>
Administration and general.....	6.9	7.0	-0.1
	<i>427.0</i>	<i>400.8</i>	<i>26.2</i>

ASSET AND LIABILITY ACCOUNTS

The assets and liabilities of the Government of Canada as at March 31, 1969, the comparable balances at March 31, 1968 and the changes in each category during 1968-69 are shown in condensed form in the following table:

TABLE 44
(in millions of dollars)

	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
LIABILITIES			
Current and demand liabilities.....	2,158.8	2,310.6	—151.8
Deposit and trust accounts.....	513.4	440.9	72.5
Annuity, insurance and pension accounts.....	10,517.2	9,053.0	1,464.2
Undisbursed balances of appropriations to special accounts...	225.3	124.8	100.5
Refundable corporation tax.....	139.5	235.3	—95.8
Provision for estimated premium on redemption of bonds...	12.4	26.0	—13.6
Deferred credits.....	180.4	149.9	30.5
Suspense accounts.....	4.0	3.8	0.2
Unmatured debt.....	22,101.0	20,579.9	1,521.1
Total liabilities.....	35,852.0	32,924.2	2,927.8
ASSETS			
Current assets.....	1,116.3	1,530.7	—414.4
Cash in blocked currency.....	1.9	2.1	—0.2
Advances to the exchange fund account.....	2,867.0	2,033.3	833.7
Investments in United States dollar securities issued by other than the Government of Canada.....	90.3	122.6	—32.3
Canada pension plan investment fund.....	2,023.0	1,280.8	742.2
Investments held for the retirement of unmaturred debt.....	6.0	8.1	—2.1
Loans to, and investments in, Crown corporations.....	8,767.7	7,935.6	832.1
Loans to national governments.....	1,269.1	1,206.1	63.0
Other loans and investments.....	2,110.4	1,945.2	165.2
Securities held in trust.....	112.6	59.5	53.1
Deferred charges.....	613.5	492.0	121.5
Capital assets.....	(1)	(1)	
Inactive loans and investments.....	94.8	94.8	
Total recorded assets.....	19,072.6	16,710.8	2,361.8
Less reserve for losses on realization of assets.....	—546.4	—546.4	
Net recorded assets.....	18,526.2	16,164.4	2,361.8
Net debt represented by excess of liabilities over not recorded assets.....	17,325.8	16,759.8	(2)566.0

(1) Shown at nominal value of \$1.

(2) Reflecting the budgetary deficit of \$566 million.

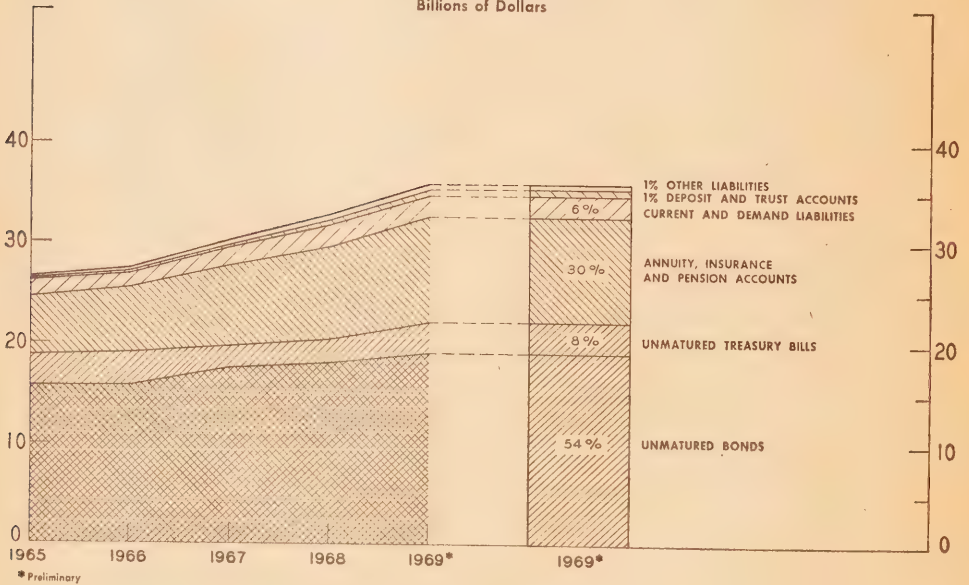
SUMMARY

The gross liabilities of the government amounted to \$35,852 million as at March 31, 1969 compared with \$32,924 million at March 31, 1968. The main changes were increases of \$1,464 million in annuity, insurance and pension accounts, \$1,521 million in unmatured debt and \$101 million in undisbursed balances and decreases of \$152 million in current and demand liabilities and \$96 million in refundable corporation tax.

Net recorded assets totalled \$18,526 million as at March 31, 1969 compared with \$16,164 million at March 31, 1968. The main changes were increases of \$834 million in the exchange fund account, \$742 million in the Canada pension plan investment fund, \$832 million in loans to, and investments in, Crown corporations, \$165 million in other loans and investments and \$122 million in deferred charges, and a decrease of \$414 million in current assets.

The net debt of Canada, or the excess of liabilities over net recorded assets, was \$17,326 million, \$566 million higher than the net debt of \$16,760 million at March 31, 1968, reflecting the 1968-69 budgetary deficit of \$566 million.

TOTAL LIABILITIES
Fiscal Years Ended March 31
Billions of Dollars



LIABILITY ACCOUNTS

Current and demand liabilities

These liabilities, which consist of obligations of the government payable currently or on demand, in the amount of \$2,159 million were \$152 million less than the total at March 31, 1968.

The main changes were decreases of \$216 million in non-interest-bearing notes and \$120 million in accounts payable and increases of \$84 million in outstanding treasury cheques and \$71 million in interest accrued.

Non-interest-bearing notes represent those portions of Canada's equities in the capital of certain international agencies which are not covered by cash or gold. Notes in respect of the international monetary fund decreased by \$239 million and notes in respect of the international development association increased by \$22 million in 1968-69.

TABLE 45
(in millions of dollars)

CURRENT AND DEMAND LIABILITIES	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Outstanding treasury cheques.....	511.0	427.4	83.6
Accounts payable.....	400.0	520.2	—120.2
Non-interest-bearing notes payable to—			
The international monetary fund.....	552.0	791.0	—239.0
The international development association.....	45.0	23.0	22.0
The Asian development bank.....	4.0	2.7	1.3
	601.0	816.7	—215.7
Matured debt outstanding.....	32.8	26.0	6.8
Interest due and outstanding.....	163.0	161.6	1.4
Interest accrued.....	386.0	315.3	70.7
Post office outstanding money orders.....	54.0	34.9	19.1
Outstanding letter of credit cheques.....	8.0	6.1	1.9
Other current liabilities.....	3.0	2.4	0.6
	2,158.8	2,310.6	—151.8

Deposit and trust accounts

Sundry funds deposited with, or held in trust by, the Receiver General of Canada for various purposes are recorded in these accounts.

There was a net increase of \$73 million during 1968-69 bringing the total to \$513 million at March 31, 1969. Increases of \$42 million in the provincial tax collection agreements account and \$55 million in guarantee deposits were partly offset by decreases of \$18 million in the Canadian Commercial Corporation special deposit account, \$11 million in the post office savings bank account and \$7 million in Crown corporations deposits.

TABLE 46
(in millions of dollars)

DEPOSIT AND TRUST ACCOUNTS	Balance at March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Indian trust funds.....	36.0	34.0	2.0
Guarantee deposits.....	104.0	49.3	54.7
Post office savings bank.....	8.0	18.6	-10.6
Crown corporations deposits.....	16.3	23.7	-7.4
Canadian Pension Commission—administration trust fund...	17.5	16.6	0.9
National Harbours Board—special accounts.....	15.0	16.8	-1.8
Instalment purchase of bonds—public service.....	16.0	16.2	-0.2
Contractors holdbacks.....	15.0	14.9	0.1
Contractors securities—sundry departments.....	4.0	4.2	-0.2
Canadian Commercial Corporation—special deposit.....	20.1	38.2	-18.1
Canadian Dairy Commission.....	24.1	25.2	-1.1
Prairie farm emergency fund.....	16.1	13.0	3.1
Provincial tax collection agreements account.....	162.0	120.2	41.8
Other.....	59.3	50.0	9.3
	513.4	440.9	72.5

Annuity, insurance and pension accounts

This category records the government's liability in respect of various annuity, insurance and pension accounts.

During 1968-69 there was an increase of \$1,464 million bringing the total to \$10,517 million as at March 31, 1969. The main changes were increases of \$298 million in the public service superannuation account, \$301 million in the Canadian forces superannuation account, \$755 million in the Canada pension plan account and \$76 million in the old age security fund.

TABLE 47
(in millions of dollars)

ANNUITY, INSURANCE AND PENSION ACCOUNTS	Balance at March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Unemployment insurance fund.....	404.0	320.3	83.7
Less investments in bonds and accrued interest.....	-388.0	-303.9	-84.1
Uninvested funds on deposit with the government.....	16.0	16.4	-0.4
Superannuation accounts—			
Public service.....	3,174.2	2,875.8	298.4
Canadian forces.....	3,024.0	2,723.3	300.7
Royal Canadian Mounted Police.....	131.0	104.7	26.3
	6,329.2	5,703.8	625.4
Canada pension plan account.....	2,108.0	1,352.8	755.2
Government annuities.....	1,324.0	1,326.1	-2.1
Old age security fund.....	612.1	536.1	76.0
Other.....	127.9	117.8	10.1
	10,517.2	9,053.0	1,464.2

Unemployment insurance fund

The balance in the fund at March 31, 1969 was \$404 million (of which \$20 million represented a liability for unredeemed warrants and deposits from employers) consisting of \$388 million invested in special government bonds (including accrued interest) and \$16 million on deposit with the Receiver General. The balance in the fund at March 31, 1968 was \$320 million (of which \$18 million represented a liability for unredeemed warrants and deposits from employers) consisting of \$304 million invested in special government bonds (including accrued interest) and \$16 million on deposit with the government.

Receipts of \$544 million during the fiscal year included employee and employer contributions of \$440 million, the government's contribution of \$86 million and \$18 million in interest from investments. As benefit payments totalled \$463 million, receipts exceeded payments from the fund by \$81 million during 1968-69. Receipts during 1967-68 totalled \$433 million and included employee and employer contributions of \$347 million, the government's contribution of \$70 million and \$16 million in income from investments. Benefit payments during 1967-68 totalled \$389 million.

TABLE 48
(in millions of dollars)

UNEMPLOYMENT INSURANCE FUND	Fiscal year ended March 31				
	1965	1966	1967	1968	1969 (preliminary)
Revenue—					
Contributions—					
Employee and employer ⁽¹⁾	310.8	328.3	343.8	347.4	440.0
Government ⁽²⁾	62.1	65.7	68.8	69.5	86.0
Net income from investments.....	1.8	4.7	10.9	15.9	17.7
Other income.....	0.1	0.1	0.2	0.2	0.2
	374.8	398.8	423.7	433.0	543.9
Expenditure—					
Benefit payments.....	-335.0	-297.8	-307.0	-388.6	-462.6
Interest on loan.....	-0.2				
Excess of revenue over expenditure or expenditure over revenue (-).....	39.6	101.0	116.7	44.4	81.3
Balance at credit of fund at fiscal year-end....	40.5	141.5	258.2	302.7	384.0
Unredeemed benefit warrants and deposits from employers.....	17.8	20.6	22.2	17.6	20.0
	58.3	162.1	280.4	320.3	404.0
Investment in bonds and accrued interest.....	-44.0	-148.6	-266.6	-303.9	-388.0
Balance on deposit with the government.....	14.3	13.5	13.8	16.4	16.0

⁽¹⁾ Contributions by employees and employers are on an equal basis.

⁽²⁾ Government's contribution is equal to 20 per cent of the combined employee-employer contributions.

Public service superannuation account

The balance of \$3,174 million in this account was \$298 million higher than the balance at the end of the previous fiscal year.

Receipts of \$385 million during the year included credits of \$121 million to provide for additional liabilities arising out of salary revisions made in 1968-69, contributions of \$72 million by individuals, the government's contribution of \$66 million, contributions of \$6 million by certain Crown corporations and interest of \$118 million credited to the account by the government. Contributions by the government and contributions by Crown corporations are equal to the estimated current and prior service payments of individuals in 1967-68. Interest at 4 per cent per annum is credited to the account quarterly and is computed quarterly on the outstanding balance at the end of the previous quarter.

The credit of \$121 million to provide for additional liabilities arising out of salary increases was charged to the asset account "unamortized portions of actuarial deficiencies".

Disbursements amounted to \$87 million and included \$70 million in annuities and \$11 million in withdrawals of contributions.

In 1967-68 receipts totalled \$270 million and disbursements totalled \$84 million.

TABLE 49
(in millions of dollars)

PUBLIC SERVICE SUPERANNUATION ACCOUNT	Fiscal year ended March 31				
	1965	1966	1967	1968	1969 (preliminary)
Receipts—					
Contributions—					
Employees—					
Government.....	57.7	(1)63.4	(2)55.5	66.0	66.0
Crown corporations.....	4.1	3.3	3.8	5.2	6.0
	61.8	66.7	59.3	71.2	72.0
Crown corporations.....	3.4	3.7	3.8	5.0	5.5
Government.....	55.6	57.8	59.3	59.6	66.0
Interest.....	78.7	89.5	98.5	110.9	117.9
Actuarial liability.....	169.5	79.6	152.2	21.5	121.0
Other.....	0.6	1.2	0.9	2.2	2.5
	369.6	298.5	374.0	270.4	384.9
Disbursements—					
Annuities.....	-52.6	-57.7	-62.8	-68.2	-70.0
Withdrawals of contributions.....	-10.8	-11.3	-11.1	-10.8	-11.0
Other.....	-0.8	-0.9	-1.0	-5.1	-5.5
	-64.2	-69.9	-74.9	-84.1	-86.5
Excess of receipts over disbursements.....	305.4	228.6	299.1	186.3	298.4
Balance in fund brought forward.....	1,856.4	2,161.8	2,390.4	2,689.5	2,875.8
Balance at credit of fund.....	2,161.8	2,390.4	2,689.5	2,875.8	3,174.2

(1) The 1966 figure includes \$4.1 million due to dual contributions temporarily required in respect of the Canada and Quebec pension plans.

(2) Net after deduction of \$4.1 million referred to in footnote (1).

Canadian forces superannuation account

The balance of \$3,024 million at March 31, 1969 reflected an increase of \$301 million during the fiscal year.

Receipts of \$366 million included \$35 million in contributions by personnel, \$57 million in regular government contributions, \$112 million in interest credited by the government and \$160 million credited to the account to provide for additional liabilities arising out of salary increases in 1968-69. Regular government contributions were made at the rate of one and two-thirds times the current and prior service contributions by personnel. Interest at 4 per cent per annum is credited to the account quarterly and is computed quarterly on the outstanding balance at the end of the previous quarter.

Disbursements of \$65 million included \$58 million in pensions and retiring allowances and \$7 million in cash termination allowances and return of contributions.

In 1967-68 receipts were \$198 million and disbursements were \$52 million.

TABLE 50
(in millions of dollars)

CANADIAN FORCES SUPERANNUATION ACCOUNT	Fiscal year ended March 31				
	1965	1966	1967	1968	1969 (preliminary)
Receipts—					
Contributions—					
Personnel.....	35.2	(1)34.1	(2)25.1	33.1	35.0
Government.....	58.8	58.8	42.6	58.4	57.0
Interest.....	75.0	83.2	91.7	105.2	112.2
Actuarial liability adjustment.....	67.2	16.6	279.2		159.6
Other.....	0.2	0.3	0.3	1.4	1.8
	236.4	193.0	438.9	198.1	365.6
Disbursements—					
Pensions and retiring allowances.....	-18.6	-26.7	-36.8	-45.7	-58.1
Cash termination allowances and return of contributions.....	-11.0	-10.1	-9.2	-6.0	-6.5
Other.....	-0.2	-0.1	-0.1	-0.1	-0.3
	-29.8	-36.9	-46.1	-51.8	-64.9
Excess of receipts over disbursements.....	206.6	156.1	392.8	146.3	300.7
Balance in fund brought forward.....	1,821.5	2,028.1	2,184.2	2,577.0	2,723.3
Balance at credit of fund.....	2,028.1	2,184.2	2,577.0	2,723.3	3,024.0

(1) Includes \$2.1 million due to dual contributions temporarily required in respect of the Canada and Quebec pension plans.

(2) Net after deduction of \$2.1 million referred to in footnote (1).

Royal Canadian Mounted Police superannuation account

The balance of \$131 million in this account as at March 31, 1969 was \$26 million more than the previous fiscal year-end balance of \$105 million.

Receipts during the year of \$28 million consisted of \$4 million in contributions by personnel, \$4 million in interest credited to the account, \$7 million in contributions by the government and \$13 million to provide for additional liabilities, arising out of salary increases in 1968-69.

Disbursements of \$2 million consisted of annuities and allowances, cash termination allowances and return of contributions.

In 1967-68 receipts were \$21 million and disbursements were \$1 million.

TABLE 51
(in millions of dollars)

ROYAL CANADIAN MOUNTED POLICE SUPERANNUATION ACCOUNT	Fiscal year ended March 31				
	1965	1966	1967	1968	1969 (preliminary)
Receipts—					
Contributions—					
Personnel.....	2.1	(1)2.2	(2)2.2	2.8	3.8
Government.....	3.2	3.9	4.5	4.2	6.6
Interest.....	1.9	2.4	2.9	3.5	4.6
Actuarial liability.....	5.2		11.1	10.1	12.7
	12.4	8.5	20.7	20.6	27.7
Disbursements—					
Annuities and allowances.....	-0.4	-0.5	-0.7	-0.8	-1.0
Cash termination allowances and return of contributions.....	-0.3	-0.3	-0.3	-0.2	-0.4
	-0.7	-0.8	-1.0	-1.0	-1.4
Excess of receipts over disbursements.....	11.7	7.7	19.7	19.6	26.3
Balance in fund brought forward.....	46.0	57.7	65.4	85.1	104.7
Balance at credit of fund.....	57.7	65.4	85.1	104.7	131.0

(1) Includes \$0.2 million due to dual contributions temporarily required in respect of the Canada and Quebec pension plans.

(2) Net after deduction of \$0.2 million referred to in footnote(1).

Canada pension plan account

The balance of \$2,108 million at March 31, 1969 was \$755 million higher than the balance at March 31, 1968.

Credits to the account of \$786 million included \$698 million in contributions under the act, \$85 million in interest from investments and \$2 million in interest on the operating balance in the account on deposit with the Receiver General. Charges to the account were \$31 million of which \$15 million was administrative costs.

The amount by which the operating balance of the Canada pension plan account in any month exceeds the estimated amount required to meet all payments in the following three-month period is available for the purchase of securities of participating provinces. Securities of Canada shall be purchased with the excess remaining after purchasing securities of each province as required.

During the year, securities totalling \$742 million were purchased bringing the balance at March 31, 1969 to \$2,023 million of which \$2,012 million was provincial bonds and \$11 million was federal bonds. These are recorded in the asset account "Canada pension plan investment fund".

TABLE 52
(in millions of dollars)

CANADA PENSION PLAN ACCOUNT	Fiscal year ended March 31			
	1966	1967	1968	1969 (preliminary)
Receipts--				
Contributions.....	94.9	587.2	640.2	698.0
Interest on investments.....		11.0	42.2	84.9
Interest on operating balance.....	(1)	1.1	1.4	2.4
Other.....		0.6	0.9	0.6
	94.9	599.9	684.7	785.9
Payments--				
Administrative expenses.....	-5.5	-8.3	-11.5	-15.2
Benefit payments.....		-0.1	-1.3	-15.5
	-5.5	-8.4	-12.8	-30.7
Excess of receipts over payments.....	89.4	591.5	671.9	755.2
Balance in fund brought forward.....		89.4	680.9	1,352.8
Balance at credit of fund.....	89.4	680.9	1,352.8	2,108.0
Less investment in securities held in the Canada pension plan investment fund.....	-34.8	-615.5	-1,280.8	-2,023.0
Operating balance on deposit with the government	54.6	65.4	72.0	85.0

(1) Less than \$50,000.

Government annuities account

The balance in this account of \$1.324 million was \$2 million less than the balance at March 31, 1968. Receipts of \$65 million included \$15 million from premiums and \$50 million in interest from the government. Disbursements of \$67 million consisted mainly of vested annuity and commuted value payments and refunds of premiums. In 1967-68 receipts amounted to \$70 million and disbursements were \$68 million.

Old age security fund

The Old Age Security Act, 1951 directed that this fund be established and that credits to the fund should consist of a 2 per cent sales tax, a 2 per cent tax (maximum tax \$60) on individual incomes and a 2 per cent tax on corporation incomes, and that pension payments of \$40 per month be paid to all eligible persons over 70 years of age. Payments were effective from January 1952.

Amendments to the act have increased these tax rates: on individual incomes to 4 per cent effective January 1, 1964 (maximum tax \$120 increased to \$240 effective January 1, 1967); on corporation incomes to 3 per cent effective January 1, 1959; and on sales to 3 per cent effective April 10, 1959.

Pension rates also have been increased to \$75 per month effective October 1, 1963 and to \$76.50 per month effective January 1, 1968 and to \$78 per month effective January 1, 1969 by amendments to the act.

The act was further amended to authorize pension payments effective January 1966 to all persons who satisfied the residence requirements of the act and who had attained the age of 69 years on or before January 1, 1966; the age limit being reduced by one year on January 1st of each subsequent year until 1970. A further amendment to the act in 1966-67 authorized the payment of a monthly guaranteed supplement to eligible pensioners of \$30 per month in 1967 and, in any year thereafter, 40 per cent of the amount of the pension that may be paid to him dependent upon the amount of his income for the preceding year.

During 1968-69 receipts of \$1,620 million exceeded pension payments of \$1,544 million by \$76 million, bringing the balance in the fund to \$612 million at March 31, 1969. Receipts consisted of \$522 million from the sales tax, \$915 million from the tax on personal incomes and \$183 million from the tax on corporation profits.

In 1967-68 receipts of \$1,495 million exceeded pension payments of \$1,388 million by \$107 million resulting in a balance of \$536 million at March 31, 1968.

TABLE 53
(in millions of dollars)

OLD AGE SECURITY FUND	Fiscal year ended March 31				
	1965	1966	1967	1968	1969 (preliminary)
Tax receipts—					
Sales tax.....	383.2	522.1	559.5	544.5	522.0
Personal income tax.....	431.9	494.9	576.6	800.1	915.0
Corporation income tax.....	145.2	152.3	149.5	150.0	183.0
Total tax receipts.....	960.3	1,169.3	1,285.6	1,494.6	1,620.0
Pension payments.....	-885.3	-927.3	-1,073.0	-1,388.1	-1,544.0
Excess of receipts over payments.....	75.0	242.0	212.6	106.5	76.0
Temporary loans brought forward.....	-100.0	-25.0			
Balance in fund brought forward.....			217.0	429.6	536.1
Temporary loans by the Minister of Finance to cover deficit in fund.....	25.0				
Balance in fund.....		217.0	429.6	536.1	612.1

A distribution by provinces of pension payments from the old age security fund is shown in the following table:

TABLE 54
(in millions of dollars)

OLD AGE SECURITY PAYMENTS	Fiscal year ended March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Newfoundland.....	32.3	28.8	3.5
Nova Scotia.....	69.3	63.5	5.8
Prince Edward Island.....	12.6	11.5	1.1
New Brunswick.....	52.1	47.4	4.7
Quebec.....	363.0	321.9	41.1
Ontario.....	553.0	496.9	56.1
Manitoba.....	88.5	80.4	8.1
Saskatchewan.....	87.1	79.6	7.5
Alberta.....	104.1	93.4	10.7
British Columbia.....	180.5	163.5	17.0
Northwest and Yukon Territories.....	1.5	1.2	0.3
	1,544.0	1,388.1	155.9

Undisbursed balances of appropriations to special accounts

This category records the undisbursed balances of appropriations to special accounts from which disbursements may be made for authorized purposes. They fall into two classes. The first of these, comprising the majority of the accounts, consists of those cases where Parliament has appropriated moneys for specific purposes. The other class consists of accounts to which is credited moneys received from the sale of materials, supplies, equipment, land, works and buildings and which are available for purposes of the Department of National Defence. The balance of \$225 million was \$101 million more than the balance at March 31, 1968.

The balance of \$87 million in the international assistance account was \$22 million more than the balance at March 31, 1968. Disbursements of \$41 million from the fund were more than offset by a credit of \$63 million, which amount was charged to budgetary expenditure of the Department of External Affairs.

Surplus Crown assets account was established by authority of vote 48 of the Department of National Defence 1965-66 estimates and is credited with all revenue received from the sale of surplus materials, supplies and equipment, and from the sale of surplus buildings works and land. The account is debited with expenditures, subject to the approval of Treasury Board, for any of the purposes of the Department of National Defence. The balance in the account as at March 31, 1969 was \$13 million reflecting a decrease of \$18 million from the previous year's balance of \$31 million.

The balance of \$2 million in the area development account was \$9 million less than at March 31, 1968 due to credits of \$17 million which were charged to budgetary expenditures of the Department of Industry being more than offset by disbursements of \$26 million. In 1967-68 \$26 million was credited to the account and disbursements were \$15 million resulting in a balance of \$11 million at March 31, 1968.

TABLE 55

(in millions of dollars)

UNDISBURSED BALANCES OF APPROPRIATIONS TO SPECIAL ACCOUNTS	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Contingency for salary revisions.....	111.0		111.0
International assistance account.....	87.0	64.8	22.2
Surplus Crown assets.....	13.1	31.1	—18.0
Area development account.....	2.4	11.0	—8.6
Railway grade crossing fund.....	8.5	9.5	—1.0
Centennial of confederation fund.....	2.3	7.3	—5.0
Other.....	1.0	1.1	—0.1
	225.3	124.8	100.5

The balance of \$9 million in the railway grade crossing fund was \$1 million less than the balance at the previous fiscal year-end. Credits to the fund amounted to \$10 million (charged to budgetary expenditure of the Department of Transport) and disbursements from the fund were \$11 million.

The balance of \$2 million in the centennial of confederation fund was \$5 million less than the balance at March 31, 1968. No credits were made to the account in 1968-69.

The contingency for salary revisions account was set up to record moneys charged to 1968-69 appropriations for salary increases.

Refundable corporation tax

This account records the refundable corporation tax on cash profits of businesses, and is payable by all corporations not exempt from tax under section 62 of the Income Tax Act and by certain types of trusts on specified types of income. During the year there was a net amount of \$96 million refunded to corporations, bringing the balance to \$140 million at March 31, 1969.

Provision for estimated premium on redemption of bonds

This records the estimated amount of \$12 million for the prorated provision to March 31, 1969 for the premium due at maturity on the then outstanding 1959 series of Canada savings bonds and for the prorated provision to March 31, 1969 for the special compound interest feature applicable to the 1966, 1967 and 1968 series of Canada savings bonds.

Deferred credits

Recorded in these accounts are amounts due the government in respect of which payment is deferred. These are contra accounts to corresponding items under the following asset categories: "loans to, and investments in, Crown corporations", "loans to national governments" and "other loans and investments". The balance of \$180 million was \$30 million more than the balance at March 31, 1968.

Also included in this category are premiums, received on the issue of Government of Canada bonds, which are being credited to interest on public debt on a monthly amortization basis.

Deferred interest in respect of The St. Lawrence Seaway Authority, which is a contra account to a corresponding item in "loans to, and investments in, Crown corporations", increased by \$12 million bringing the balance at March 31, 1969 to \$67 million.

Deferred interest in respect of the loan under the United Kingdom Financial Agreement Act, 1946, which is a contra account to a corresponding item in "loans to national governments" increased by \$18 million as a result of the deferment of the interest due on December 31, 1968 bringing the balance to \$101 million at March 31, 1969.

The government equity in the agency account of Crown assets disposal corporation is a contra account to a corresponding asset account under "other loans and investments". The balance of \$8 million was \$1 million more than the total at March 31, 1968.

TABLE 56
(in millions of dollars)

DEFERRED CREDITS	Balance at March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Deferred interest--			
Atomic Energy of Canada Limited.....	0.1	0.1	
Northern Canada Power Commission.....	3.9	3.9	
The St. Lawrence Seaway Authority.....	66.5	54.5	12.0
United Kingdom Financial Agreement Act, 1946.....	101.1	83.0	18.1
	171.6	141.5	30.1
Balances receivable under agreements of sale of Crown assets.....	0.3	0.3	
Crown Assets Disposal Corporation—government equity....	8.0	7.3	0.7
Unamortized premium on loans.....	0.5	0.8	-0.3
	180.4	149.9	30.5

Suspense accounts

These consist of balances where some uncertainty as to disposition exists.

The balance at March 31, 1969 was \$4 million, slightly more than at the previous fiscal year-end.

Unmatured debt

The unmatured debt of Canada in the amount of \$22,101 million was \$1,521 million more than the previous fiscal year-end total. Obligations payable in Canada were \$21,658 million, those payable in New York were \$267 million, those payable in Germany were \$68 million and those payable in Italy were \$108 million. Comparative obligations in 1967-68 were \$20,420 million for Canadian issues and \$160 million for New York issues.

Details of the various loan issues, maturities, cancellations and redemptions resulting in the net increase are described more fully in the section "The Public Debt".

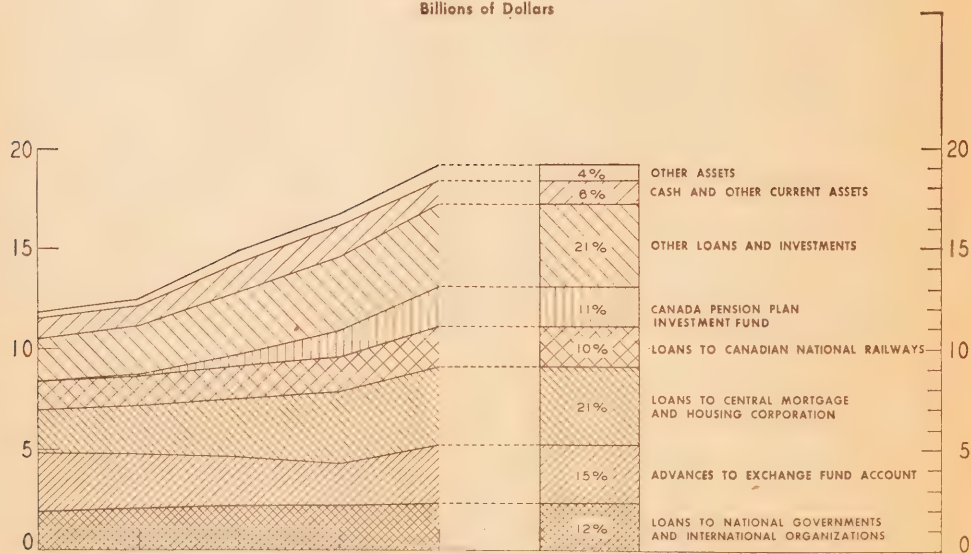
TABLE 57
(in millions of dollars)

UNMATURED DEBT	Balance at March 31		Increase or decrease (-)
	1969 (preliminary)	1968	
Payable in Canada—			
Marketable bonds.....	12,263.0	11,541.3	721.7
Non-marketable bonds—			
Canada savings bonds.....	6,168.3	6,096.5	71.8
Canada pension plan.....	11.3	5.7	5.6
Unemployment Insurance Commission.....	376.0	296.0	80.0
	18,818.6	17,939.5	879.1
Treasury bills.....	2,840.0	2,480.0	360.0
	21,658.6	20,419.5	1,239.1
Payable in New York ^{(1) (2)}	266.7	160.4	106.3
Payable in Germany ^{(1) (2)}	67.6		67.6
Payable in Italy ^{(1) (2)}	108.1		108.1
	22,101.0	20,579.9	1,521.1

⁽¹⁾Marketable bonds.

⁽²⁾Converted at the official parity rates.

TOTAL ASSETS¹
Fiscal Years Ended March 31
Billions of Dollars



1. As shown on table "Summary of assets and liabilities". This chart does not reflect the reserve for losses on realization of assets.

* Preliminary

ASSET ACCOUNTS

Current assets

These accounts consist of various cash accounts, working capital advances and the securities investment account.

Total current assets at \$1,116 million were \$414 million less than at March 31, 1968. The main change was a decrease of \$416 million in cash in current deposits.

The defence production revolving fund records the cost of materials procured for use in the manufacture of defence equipment until such time as they are billed to the Department of National Defence or sold to defence contractors for use in the manufacture of defence equipment, as well as working capital loans and advances for their production. During 1968-69 sales exceeded purchases by \$2 million bringing the balance in the account to \$37 million at March 31, 1969.

The stockpiling of uranium concentrates account records the acquisition of uranium concentrates in accordance with contracts entered into with the approval of the Governor in Council by the Eldorado Nuclear Limited on behalf of Her Majesty in right of Canada with certain mining companies. The balance at March 31, 1969 was \$86 million, \$11 million higher than the balance at the previous year-end.

TABLE 58
(in millions of dollars)

CURRENT ASSETS	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Cash accounts—			
Cash in current deposits ⁽¹⁾	599.0	1,014.8	—415.8
Cash in special deposits.....	1.3	1.3	
Cash in hands of collectors and in transit.....	250.0	244.3	5.7
Indian agencies revenue trust bank accounts.....	0.3	0.3	
Moneys received after March 31 but applicable to the current year.....	24.6	20.4	4.2
Post office—cash on hand and in transit.....	15.0	18.7	—3.7
	890.2	1,299.8	—409.6
Departmental working capital advances—			
Agricultural commodities stabilization account.....	0.8	1.4	—0.6
Defence production revolving fund.....	37.0	39.0	—2.0
Miscellaneous departmental imprest and standing ad- vances.....	12.9	12.9	
Miscellaneous departmental accountable advances.....	14.2	14.2	
Royal Canadian Mint.....	3.6	15.6	—12.0
Stockpiling of uranium concentrates.....	86.0	74.9	11.1
Transport stores account.....	12.4	11.4	1.0
Other.....	14.8	17.1	—2.3
	181.7	186.5	—4.8
Securities investment account.....	44.4	44.4	
	1,116.3	1,530.7	—414.4

⁽¹⁾ Receiver General year-end balances in London, New York, Paris, Brussels and Bonn are at the Canadian dollar equivalent of exchange rates at March 31.

Cash in blocked currency

The balance in this account was \$2 million, approximately \$200 thousand less than at March 31, 1968.

Notes of Industrias Forestales, S.A. and Compania Manufacturera de Papeles y Cartones, S.A., held by the Export Credits Insurance Corporation, and which were due in 1965 and 1966, could not be paid in accordance with their terms because the Chilean Government was unable to make available the necessary Canadian currency. An alternate scheme was devised whereby the debtors could make their payments on the notes.

The Export Credits Insurance Corporation received the payments in Chile in Canadian dollars and the amount upon receipt was paid to the Receiver General of Canada into a blocked account established by the Receiver General with the Central Bank of Chile, the Government of Chile to pay in Canadian dollars interest at 6 per cent per annum on the sums held in this account directly to the Receiver General of Canada in Ottawa.

The Government of Chile agreed to the withdrawal of 20 per cent of the deposits made to the account in 1965 in each of the years 1968 to 1972 and 20 per cent of the deposits made to the account in 1966 in each of the years 1969 to 1973.

Advances to the exchange fund account

Advances during the year to finance the purchase of gold and foreign exchange amounted to \$2,518 million and repayments were \$1,684 million, resulting in a net increase of \$834 million bringing the outstanding advances to \$2,867 million at March 31, 1969.

During 1967-68 advances of \$1,508 million and repayments of \$1,830 million resulted in a balance of \$2,033 million at March 31, 1968.

Investments in United States dollar securities issued by other than the Government of Canada

This account records the special securities issued by the Government of the United States of America and purchased by Canada pursuant to agreements made to carry out the Columbia River Treaty between the Government of the United States and the Government of Canada. During 1968-69 securities in the amount of \$32 million were redeemed leaving a balance of \$90 million in the account at March 31, 1969.

Canada pension plan investment fund

The Canada pension plan investment fund records securities purchased under the Canada Pension Plan Act and the sale of these securities. The amount by which the operating balance of the Canada pension plan account in any month exceeds the estimated amount required to meet all payments in the following three-month period is available for the purchase of securities of participating provinces. Securities of Canada shall be purchased with the excess remaining after purchasing securities of each province as required. The holdings in the account at March 31, 1969 were \$2,023 million of which \$11 million was in federal government securities.

TABLE 59

(in millions of dollars)

CANADA PENSION PLAN INVESTMENT FUND	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Securities of—			
Newfoundland.....	37.9	23.7	14.2
Nova Scotia.....	77.1	47.9	29.2
Prince Edward Island.....	7.2	4.3	2.9
New Brunswick.....	58.8	37.0	21.8
Quebec.....	4.6	2.2	2.4
Ontario.....	1,140.6	728.6	412.0
Manitoba.....	118.7	76.4	42.3
Saskatchewan.....	91.5	55.6	35.9
Alberta.....	181.7	113.3	68.4
British Columbia.....	293.6	186.1	107.5
Government of Canada.....	11.3	5.7	5.6
	2,023.0	1,280.8	742.2

Investments held for retirement of unmatured debt

Recorded herein is \$6 million of the 5½ per cent loan issued August 1, 1962 and maturing August 1, 1980.

Loans to, and investments in, Crown corporations

Loans and investments in this category totalled \$8,768 million, an increase of \$832 million over the total at March 31, 1968.

Atomic Energy of Canada Limited

There was a balance of \$208 million in this account at March 31, 1969 consisting of an investment of \$15 million by the government in capital stock and loans of \$193 million of which \$70 million was in respect of the Douglas Point generating station. Comparable amounts at March 31, 1968 were \$139 million consisting of \$15 million in capital stock and loans of \$124 million of which \$70 million was in respect of the Douglas Point generating station.

Canada Deposit Insurance Corporation

The Crown's investment in the corporation amounted to \$23 million at March 31, 1969, of which \$10 million was in capital stock and \$13 million in respect of loans. In 1967-68 capital stock amounted to \$10 million and loans were \$19 million.

Canadian Broadcasting Corporation

There was no change in the advances for working capital during 1968-69, the balance remaining at \$9 million at March 31, 1969. Advances to the corporation for the purpose of capital expenditure amounted to \$22 million during the year, bringing the total of advances to \$96 million at March 31, 1969. Recovery of these advances is likely to require parliamentary appropriations in subsequent fiscal years.

TABLE 60
(in millions of dollars)

LOANS TO, AND INVESTMENTS IN, CROWN CORPORATIONS	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Atomic Energy of Canada Limited.....	207.5	138.9	68.6
Bank of Canada.....	5.9	5.9	
Canada Deposit Insurance Corporation.....	23.5	29.4	—5.9
Canadian Arsenals Limited.....	5.0	5.0	
Canadian Broadcasting Corporation.....	9.0	9.0	
Canadian Commercial Corporation.....	15.5	16.5	—1.0
Canadian Dairy Commission.....	42.0	22.2	19.8
Canadian National Railways.....	1,982.2	1,777.1	205.1
Air Canada.....	3.3	8.0	—4.7
	1,985.5	1,785.1	200.4
Canadian Overseas Telecommunication Corporation.....	49.3	52.4	—3.1
Cape Breton Development Corporation.....	10.0	5.2	4.8
Central Mortgage and Housing Corporation.....	3,962.1	3,575.4	386.7
Eldorado Nuclear Limited.....	8.2	8.2	
Export Credits Insurance Corporation.....	233.0	199.1	33.9
Farm Credit Corporation.....	1,049.9	921.7	128.2
National Capital Commission—excluding Greenbelt.....	28.2	37.4	—9.2
National Harbours Board.....	260.7	250.1	10.6
Northern Canada Power Commission.....	42.1	33.6	8.5
Polymer Corporation Limited.....	30.0	30.0	
The St. Lawrence Seaway Authority—			
Loans.....	379.5	362.9	16.6
Deferred interest.....	66.5	54.5	12.0
Interest-free loans.....	75.0	75.0	
	521.0	492.4	28.6
Recovery likely to require parliamentary appropriations—			
Canadian Broadcasting Corporation.....	96.1	74.1	22.0
Canadian Corporation for the 1967 World Exhibition....	148.0	205.0	—57.0
National Capital Commission—Greenbelt.....	34.0	37.7	—3.7
	278.1	316.8	—38.7
Other Crown Corporations.....	1.2	1.3	—0.1
	8,767.7	7,935.6	832.1

Canadian Corporation for the 1967 World Exhibition

This account records the purchase by the government of securities issued by the corporation in accordance with the Canadian Corporation for the 1967 World Exhibition Act. The balance in the account at March 31, 1969 was \$148 million compared with \$205 million at March 31, 1968. The decrease resulted from a payment of \$75 million by the Province of Quebec in respect of its guarantee of these securities. The payment was in the form of provincial notes which have been recorded in the category "loans to provincial governments".

During the year the federal government was called on to implement its guarantee of loans made by certain chartered banks to the corporation. These payments totalled \$18 million and have been recorded in this account.

Canadian Dairy Commission

Loans to the commission, to enable it to purchase and sell dairy products as authorized by the Canadian Dairy Commission Act, c. 34, 1966-67, amounted to \$42 million compared with \$22 million in 1967-68.

Canadian National Railways (including Air Canada)

Outstanding advances to the Canadian National Railways at March 31, 1969 amounted to \$1,985 million, \$200 million more than the balance of \$1,785 million at the previous fiscal year-end.

During 1968-69 the government made available \$242 million to the company and received payments of \$42 million, resulting in a net increase of \$200 million in outstanding advances. In 1967-68 advances were \$211 million and repayments were \$47 million.

In 1968-69 the government made advances of \$186 million to the company for capital purposes and the refunding of debt in the hands of the public.

To assist the company to finance further capital expenditure during the year, the government purchased \$28 million of the 4 per cent preferred stock of the company. This stock is issued under the authority of the Canadian National Railways Capital Revision Act, 1952, in an amount equal to 3 per cent of the gross revenue of the company.

At March 31, 1968 temporary loans of \$13 million were outstanding to the company in respect of its 1968 deficit. Additional loans of \$16 million were advanced during the year for its 1968 operations. These were repaid when the company's income deficit of \$32 million was charged to the 1968-69 budgetary expenditures. Additional loans of \$5 million were advanced for the company's 1969 operations.

TABLE 61
(in millions of dollars)

ADVANCES TO THE CANADIAN NATIONAL RAILWAYS	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Capital Revision Act, 1952—			
Preferred stock.....	1,133.3	1,105.2	28.1
Twenty-year obligation.....	100.0	100.0	
Financing and Guarantee Act, 1960.....	29.0	29.0	
Financing and Guarantee Act, 1961.....	26.4	26.4	
Financing and Guarantee Act, 1965 and 1966.....	50.0	50.0	
Financing and Guarantee Act, 1967.....	72.0	27.0	45.0
Financing and Guarantee Act, 1968.....	74.8		74.8
Interim financing of income deficit 1968.....		13.0	—13.0
Interim financing 1969.....	5.0		5.0
Refunding Act, 1955.....	451.1	395.3	55.8
Loans for maintenance, repair and acquisition of passenger equipment.....	2.4	2.9	—0.5
Temporary loans—acquisition of bonds.....	21.2	11.3	9.9
Canadian Government Railways.....	17.0	17.0	
Air Canada—interim financing.....	3.3	8.0	—4.7
	1,985.5	1,785.1	200.4

At March 31, 1968 temporary loans of \$8 million were outstanding to Air Canada in respect of its 1968 operations. An additional \$4 million was advanced during the year for its 1968 operations. These were repaid by the company during 1968-69. Additional loans of \$3 million were advanced for the company's 1969 operations.

TABLE 62
(in millions of dollars)

ADVANCES TO, AND REPAYMENTS BY, THE CANADIAN NATIONAL RAILWAYS	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Advances—			
For the refunding of debt.....	55.8	72.3	—16.5
Financing and Guarantee Act, 1965 and 1966.....		10.0	—10.0
Financing and Guarantee Act, 1967.....	45.0	27.0	18.0
Financing and Guarantee Act, 1968.....	74.8		74.8
Temporary loans—acquisition of bonds.....	9.8	11.3	—1.5
Interim financing—			
Canadian National Railways.....	21.2	48.9	—27.7
Air Canada.....	7.2	11.6	—4.4
Total advances.....	213.8	181.1	32.7
Purchase of 4 per cent preferred stock (C.N.R. Capital Revision Act, 1952).....	28.1	30.0	—1.9
	241.9	211.1	30.8
Repayments—			
Maintenance, repair and acquisition of passenger equip- ment.....	—0.5	—0.4	—0.1
Advances for interim financing—			
Canadian National Railways.....	—29.2	—35.9	6.7
Air Canada.....	—11.8	—11.0	—0.8
	—41.5	—47.3	5.8
Net increase during the fiscal year.....	200.4	163.8	36.6

Central Mortgage and Housing Corporation

The balance of \$3,962 million in this account at March 31, 1969 was \$387 million higher than at March 31, 1968, and comprised the Crown's investment of \$25 million in the capital of the corporation and \$3,937 million in loans and advances.

Loans and advances to the corporation were \$522 million in 1968-69 and repayments were \$135 million. In 1967-68 advances were \$767 million and repayments were \$133 million.

Advances comprised \$445 million for direct lending and limited dividend housing, \$29 million for federal-provincial projects for housing, \$17 million in respect of municipal sewage treatment, \$30 million for university housing and \$1 million for urban renewal.

Repayments of \$135 million included \$115 million for direct lending and limited dividend housing, \$13 million for sewage treatment projects, \$4 million for federal-provincial projects, \$2 million in respect of acquisition or construction of real estate and \$1 million for university housing projects.

TABLE 63
(in millions of dollars)

ADVANCES TO CENTRAL MORTGAGE AND HOUSING CORPORATION	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Direct lending and limited dividend housing.....	3,352.1	3,021.7	330.4
Federal-provincial projects—housing.....	167.2	142.0	25.2
Loan and mortgage purchase fund.....	5.1	5.3	—0.2
Municipal sewage treatment.....	148.7	144.8	3.9
University housing.....	197.0	168.7	28.3
Housing projects.....	65.1	67.4	—2.3
Urban renewal.....	1.9	0.5	1.4
Capital stock.....	25.0	25.0	
	3,962.1	3,575.4	386.7

TABLE 64
(in millions of dollars)

ADVANCES TO, AND REPAYMENTS BY, CENTRAL MORTGAGE AND HOUSING CORPORATION	Fiscal year ended March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Advances—			
Direct lending, limited dividend and public housing....	445.4	680.5	—235.1
Sewage treatment projects.....	16.5	29.1	—12.6
University housing projects.....	29.5	42.5	—13.0
Federal-provincial projects.....	29.0	14.0	15.0
Urban renewal.....	1.5	0.5	1.0
	521.9	766.6	—244.7
Repayments—			
Direct lending, limited dividend and public housing....	—115.0	—99.6	—15.4
Sewage treatment projects.....	—12.6	—12.4	—0.2
University housing projects.....	—1.2	—0.6	—0.6
Federal-provincial projects.....	—3.8	—2.9	—0.9
Loan and mortgage purchase fund.....	—0.2	—14.9	14.7
Acquisition or construction of real estate.....	—2.3	—2.3	
Urban renewal.....	—0.1		—0.1
	—135.2	—132.7	—2.5
Net increase during the fiscal year.....	386.7	633.9	—247.2

Export Credits Insurance Corporation

The outstanding balance of \$233 million in this account at March 31, 1969 consisted of \$5 million for capital stock, \$5 million for working capital and \$223 million for loans under section 21A of the Export Credits Insurance Act. This section of the act authorizes the making of loans, on security of a guaranteed instrument, to the corporation by the Minister of Finance. Comparable amounts in 1967-68 were \$5 million for capital stock, \$5 million for working capital and \$189 million for loans.

Farm Credit Corporation

The government provides loans to the corporation which makes loans on farm property. The balance of \$1,050 million in the account at March 31, 1969 consisted of the Crown's investment of \$40 million in the capital of the corporation and \$1,010 million in loans and advances. At March 31, 1968 the balance was \$922 million consisting of capital investment of \$35 million and loans and advances of \$887 million.

The 1968-69 transactions in the account consisted of additional subscriptions of \$5 million by the government to the capital of the corporation, loans and advances of \$172 million and repayments of \$49 million compared with \$7 million, \$195 million and \$33 million respectively in the previous fiscal year.

National Capital Commission

Loans to acquire property in the "Greenbelt" area amounted to \$34 million at March 31, 1969, \$4 million less than at the end of the previous year. Recovery of these loans is likely to require parliamentary appropriations in subsequent fiscal years.

Loans to acquire property excluding the "Greenbelt" area totalled \$28 million at March 31, 1969, \$9 million less than at March 31, 1968.

The St. Lawrence Seaway Authority

Outstanding obligations in this account at March 31, 1969 amounted to \$521 million and comprised \$380 million in interest-bearing loans, \$75 million in interest-free loans and \$66 million in deferred interest. At March 31, 1968 outstanding obligations were \$492 million consisting of \$363 million in interest-bearing loans, \$75 million in interest-free loans and \$54 million in deferred interest.

Other Crown Corporations

During the year advances to the Cape Breton Development Corporation increased by \$5 million to \$10 million, advances to the National Harbours Board increased by \$11 million to \$261 million, advances to the Northern Canada Power Commission increased by \$8 million to \$42 million and advances to the Canadian Commercial Corporation decreased by \$1 million to \$16 million and advances to the Canadian Overseas Telecommunication Corporation decreased by \$3 million to \$49 million.

Loans to national governments

There was an increase of \$63 million in this category bringing the total balance to \$1,269 million at March 31, 1969.

In accordance with an agreement between the Government of Canada and the Government of the United Kingdom there was a deferment of the payment of principal and interest due December 31, 1968 on the \$1,185 million loan made under the \$1,250 million credit authorized by the United Kingdom Financial Agreement Act, 1946, the principal outstanding at the close of the year remaining at \$957 million and deferred interest increasing by \$18 million to \$101 million.

Advances under Part II of the Export Credits Insurance Act to Belgium, France and The Netherlands to assist them in the purchasing of goods in Canada were reduced by a repayment of \$2 million, bringing the balance at March 31, 1969 to \$118 million. The decrease of \$2 million was the regular annual payment by the Government of Belgium. There were no repayments by the Governments of France and The Netherlands as each of these countries had made advance payments in 1962-63 covering instalments up to and including the 1969 instalment.

The special loan assistance—developing countries account is an account which records loans which are subject to terms and conditions as the Governor in Council may approve, for the purpose of undertaking agreed-upon economic, educational and technical projects. The balance in the account at March 31, 1969 was \$93 million, an increase of \$49 million over the balance at the previous fiscal year-end.

TABLE 65
(in millions of dollars)

LOANS TO NATIONAL GOVERNMENTS	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Loans to United Kingdom—			
The United Kingdom Financial Agreement Act, 1946...	957.0	957.0	
Deferred Interest.....	101.1	83.0	18.1
	1,058.1	1,040.0	18.1
Loans under the Export Credits Insurance Act, Part II—			
Belgium.....	18.5	20.8	—2.3
France.....	66.9	66.9	
The Netherlands.....	32.1	32.1	
	117.5	119.8	—2.3
Miscellaneous loans and advances—			
India—loan for purchase of aircraft and associated spare parts.....		1.3	—1.3
France—interim credits—consolidated interest.....	0.7	0.7	
Special loan assistance—developing countries.....	92.6	44.1	48.5
Other.....	0.2	0.2	
	93.5	46.3	47.2
	1,269.1	1,206.1	63.0

Other loans and investments

Balances in these accounts totalled \$2,110 million at March 31, 1969, \$165 million more than at the end of the previous fiscal year.

TABLE 66
(in millions of dollars)

OTHER LOANS AND INVESTMENTS	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Subscriptions to capital of, and working capital advances and loans to, international organizations—			
Canada's subscriptions to capital of—			
Asian development bank.....	8.1	5.4	2.7
International bank for reconstruction and development.....	85.0	85.0	
International development association.....	112.8	85.7	27.1
International finance corporation.....	3.5	3.5	
International monetary fund.....	782.7	782.7	
	992.1	962.3	29.8
Working capital advances and loans to international organizations.....	7.0	7.3	—0.3
	999.1	969.6	29.5
Loans to provincial governments.....	270.0	187.7	82.3
Veterans land act fund.....	447.6	406.2	41.4
Less reserve for conditional benefits.....	—24.4	—23.3	—1.1
	423.2	382.9	40.3
Municipal development and loan board advances.....	276.7	280.6	—3.9
Less reserve for forgiveness of indebtedness.....		—0.9	0.9
	276.7	279.7	—3.0
Miscellaneous—			
Assisted passage scheme.....	11.0	13.2	—2.2
Crown Assets Disposal Corporation—			
Government equity in agency account.....	8.1	7.3	0.8
Defence plant modernization.....	14.2	10.2	4.0
Housing projects for Canadian forces.....	21.7	21.6	0.1
Loans to manufacturers of automotive products in			
Canada.....	22.9	20.5	2.4
Northwest Territories.....	14.9	12.8	2.1
Yukon Territory.....	11.7	9.7	2.0
Other.....	33.3	26.1	7.2
	137.8	121.4	16.4
Recovery likely to require parliamentary appropriations—			
Town of Oromocto, New Brunswick.....	3.6	3.9	—0.3
	2,110.4	1,945.2	165.2

Canada's subscriptions to the capital of international organizations at \$992 million were \$30 million higher, due mainly to additional subscriptions of \$27 million to the international development association. Working capital advances and loans to international organizations were \$7 million, slightly less than at the end of the previous fiscal year.

Loans to provincial governments totalled \$270 million at March 31, 1969, an increase of \$82 million over the total at the previous year-end.

The veterans land act fund was established by An Act to amend the Veterans' Land Act, assented to June 30, 1965, to record advances made under the Veterans' Land Act, for the acquisition, by the Director, of properties, buildings, materials, livestock, farm equipment and commercial fishing equipment for purposes of the act, for sale to qualified veterans of world war 2 and Korea under sales agreements which carry specified conditional benefits if the terms of such agreements are adhered to by the veterans, and for progress payments to veterans during construction of housing. During 1968-69 advances of \$73 million and repayments of \$32 million brought outstanding advances at March 31, 1969 to \$448 million. This was partly offset by a reserve for conditional benefits amounting to \$25 million, resulting in a net balance of \$423 million at the fiscal year-end.

Under the Municipal Development and Loan Act, advances are made to the Municipal Development and Loan Board to provide financial assistance by way of loans to municipalities to augment or accelerate municipal capital works programs. Where the municipal project in respect of which a loan is made is completed on or before September 30, 1966, the board shall forgive payment by the municipality of 25 per cent of the principal amount of the loan. If a project is not completed as at September 30, 1966, the board shall forgive 25 per cent of that portion of the loan that has been advanced to the municipality as of September 30, 1966. At March 31, 1969 advances totalled \$277 million compared with \$281 million at March 31, 1968. The reserve for forgiveness of indebtedness reflected a nil balance at March 31, 1969 compared with \$1 million at March 31, 1968.

Miscellaneous loans and investments totalled \$138 million at March 31, 1969, an increase of \$16 million over the balance at March 31, 1968 due mainly to increases of \$4 million in loans for defence plant modernization and \$2 million in loans to manufacturers of automotive products in Canada.

Loans to assist defence manufacturers for defence plant modernization, which are subject to the approval of Treasury Board, amounted to \$14 million at March 31, 1969 compared with \$10 million in 1967-68.

Loans to manufacturers of automotive products in Canada were made in accordance with terms and conditions prescribed by the Governor in Council, to assist manufacturers of automotive products in Canada affected by the Canada-United States Agreement on Automotive Products to adjust and expand their production; such loans to be made for the purpose of acquisition, construction, installation, modernization, development, conversion or expansion of land, buildings, equipment, facilities or machinery and for working capital. Loans to manufacturers amounted to \$23 million compared with \$21 million at March 31, 1968.

Securities held in trust

Recorded herein are the security holdings in connection with various deposit and trust accounts and annuity, insurance and pension accounts. Bonds and certified cheques held in connection with contractors' securities included in the deposit and trust category are also recorded under this heading. The balance at March 31, 1969 was \$113 million, an increase of \$53 million over the previous fiscal year-end balance.

Deferred charges

These consist of the unamortized balances of actuarial deficiencies in the Canadian forces superannuation account, the public service superannuation account and the Royal Canadian Mounted Police superannuation account and the outstanding unamortized loan flotation costs.

The balances in these accounts totalled \$614 million at March 31, 1969 compared with \$492 million at March 31, 1968.

TABLE 67
(in millions of dollars)

DEFERRED CHARGES	Balance at March 31		Increase or decrease (—)
	1969 (preliminary)	1968	
Unamortized portions of actuarial deficiencies—			
Canadian forces superannuation account.....	242.4	187.6	54.8
Public service superannuation account.....	187.4	150.4	37.0
Royal Canadian Mounted Police superannuation account.....	20.7	15.8	4.9
	450.5	353.8	96.7
Unamortized loan flotation costs.....	163.0	138.2	24.8
	613.5	492.0	121.5

Unamortized portions of actuarial deficiencies

At March 31, 1969 these totalled \$451 million compared with \$354 million at March 31, 1968, an increase of \$97 million.

Any actuarial deficiencies revealed by quinquennial valuations are credited to the superannuation accounts and charged to this account and amortized to budgetary expenditure in five equal annual instalments commencing in the fiscal year in which the report is laid before parliament. Also, the cost of benefits payable under the superannuation acts as a result of the authorization of salary increases are credited to the superannuation accounts and charged to this account and amortized to budgetary expenditure over a period of five years commencing in the year in which the increase is authorized.

The unamortized portion of the actuarial deficiency in the Canadian forces superannuation account was \$242 million compared with \$188 million at March 31, 1968. During the year \$122 million was charged thereto as a result of salary increases and \$38 million as a result of amendments to the Superannuation Act and \$105 million was amortized as a charge to budgetary expenditure.

The unamortized portion of the actuarial deficiency in the public service superannuation account was \$187 million compared with \$150 million at March 31, 1968. During the year \$121 million was charged thereto as a result of salary increases and \$84 million was amortized as a charge to budgetary expenditure.

The unamortized portion of the actuarial deficiency in the Royal Canadian Mounted Police superannuation account was \$21 million compared with \$16 million at March 31, 1968. During the year \$13 million was charged thereto as a result of salary increases and \$8 million was amortized as a charge to budgetary expenditure.

Unamortized loan flotation costs

This account records the residual balances of discounts, commissions, redemption bonuses and conversion premiums on loan flotations that have not been charged to budgetary expenditures. The balance of \$163 million was \$25 million more than the previous fiscal year-end balance.

TABLE 68
(in millions of dollars)

UNAMORTIZED LOAN FLOTATION COSTS	Fiscal year ended March 31	
	1969 (preliminary)	1968
Balance of account at beginning of fiscal year.....	138.2	121.2
New loan flotation costs to be amortized—		
7% loan April 1, 1968—April 1, 1973.....	3.5	
6½% loan May 24, 1968—June 1, 1973 ⁽¹⁾	1.2	
6½% loan June 1, 1968—June 1, 1988 ⁽²⁾	1.2	
6½% loan June 15, 1968—July 1, 1969.....	0.3	
7% loan June 15, 1968—October 1, 1970.....	1.2	
7% loan June 15, 1968—June 15, 1974.....	3.5	
6½% loan August 1, 1968—December 15, 1969.....	0.1	
6½% loan August 1, 1968—October 1, 1970.....	0.2	
6½% loan October 1, 1968—October 1, 1971.....	0.2	
6½% loan October 1, 1968—April 1, 1975.....	1.5	
6½% loan October 1, 1968—October 1, 1995.....	1.9	
6½% loan December 16, 1968—May 1, 1970.....	0.1	
6½% loan December 16, 1968—April 1, 1971.....	0.7	
Adjustments ⁽³⁾	0.3	0.2
Treasury bills discounts.....	32.8	30.1
Canada savings bonds—adjustment previous issues.....	0.2	0.7
Canada savings bonds—new issue.....	36.1	12.6
4½% loan April 1, 1967—April 1, 1968.....		0.4
5% loan April 1, 1967—October 1, 1973.....		2.8
5½% loan April 1, 1967—May 1, 1990.....		4.4
4½% loan June 1, 1967—June 15, 1968.....		0.3
5½% loan June 1, 1967—December 1, 1974.....		1.1
5% loan August 1, 1967—October 1, 1968.....		0.1
5½% loan August 1, 1967—April 1, 1969.....		0.1
6% loan August 1, 1967—December 15, 1971.....		4.0
4½% loan October 1, 1967—December 15, 1968.....		1.3
5½% loan October 1, 1967—December 15, 1969.....		1.5
6% loan October 1, 1967—April 1, 1971.....		0.8
6½% loan December 1, 1967—December 1, 1973.....		1.9
6% loan January 15, 1968—February 15, 1970.....		1.5
	85.0	63.8
Less—		
Amortization applicable to fiscal year—		
Canada savings bonds and general loans.....	-30.1	-26.3
Discounts on treasury bills charged to interest on public debt..	-30.1	-20.5
	-60.2	-46.8
Increase during the year.....	24.8	17.0
Balance of account at end of fiscal year.....	163.0	138.2

⁽¹⁾ Loan issued in Germany.

⁽²⁾ Loan issued in New York.

⁽³⁾ Adjustments due to cancellations and additional issues of existing loans.

Cost of new loans issued during 1968-69 and charged to the account amounted to \$85 million, of which \$33 million was in respect of treasury bills discounts which will be charged to interest on public debt in 1969-70. Credits to the account were \$60 million, of which \$30 million was a charge to the budgetary item "annual amortization costs" and \$30 million (representing discount applicable to 1968-69 on treasury bills sold in 1967-68) was a charge to the budgetary item "interest on public debt".

Treasury bills discounts applicable to the current fiscal year are charged to interest on public debt at time of sale. That portion of the discounts applicable to the subsequent fiscal year is charged to this account and transferred to interest on public debt in the following year.

Capital assets

Assets of the government such as land, buildings, works and equipment, etc., that are charged to budgetary expenditure at the time of acquisition or construction, are included in this category and are shown on the statement of assets and liabilities at a nominal value of \$1.

Inactive loans and investments

Loans and investments which are not currently revenue-producing or realizable are recorded herein. Included are the loan of \$49 million to China under the Export Credits Insurance Act, loans totalling \$24 million and \$7 million made to Roumania and Greece, respectively, in 1919-20 and 1920-21 and advances of \$15 million in respect of the implementation of guarantees (Ming Sung Industrial Company Limited).

Reserve for losses on realization of assets

There has been no change in this reserve since the fiscal year 1956-57. The balance at March 31, 1969 was \$546 million.

NET DEBT

The net debt of Canada, or the excess of liabilities over net recorded assets, was \$17,326 million at March 31, 1969 compared with \$16,760 million at March 31, 1968. The increase of \$566 million reflects the 1968-69 budgetary deficit.

THE CASH POSITION

The government's bank balances represent current deposits to the credit of the Receiver General of Canada in the Bank of Canada, chartered banks in Canada and certain banks in London, New York, Paris, Brussels and Bonn. These balances totalled \$599 million at March 31, 1969, a decrease of \$416 million over the balance of \$1,015 million at March 31, 1968.

The cash position of the government is affected not only by budgetary transactions but also by changes in the government's unmatured debt and other non-budgetary transactions. Non-budgetary transactions are those which affect the government's asset and liability accounts and must be taken into account when considering the full scope of the government's financial operations and their effect on the economy of the country.

On the asset side, the non-budgetary transactions consist, for the most part, of loans and advances to, and repayments by, Crown corporations and other government agencies and funds, national, provincial and municipal governments, international organizations, veterans and other borrowers. On the liability side they relate mainly to receipts and payments in connection with the many deposit and trust accounts, and annuity, insurance and pension funds held or administered by the government.

The following statement summarizes both the budgetary and non-budgetary transactions for 1968-69 and indicates how they affected the government's cash position. For purposes of comparison the corresponding figures for 1967-68 are also shown.

In 1968-69 a deficit of \$566 million in budgetary transactions and net disbursements of \$1,373 million (excluding unmatured debt transactions) resulted in a net cash requirement of \$1,939 million for the fiscal year. As transac-

TABLE 69
(in millions of dollars)

CHANGES IN CASH POSITION	Fiscal year ended March 31	
	1969 (preliminary)	1968
Budgetary transactions—		
Revenue.....	10,169.0	9,029.2
Expenditure.....	10,735.0	-9,824.0
Deficit.....	-566.0	-794.8
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits (net).....	2,004.9	1,250.7
Disbursements and charges (net).....	-3,377.9	-1,044.4
Net amount available from, or required for (-), non-budgetary transactions.....	-1,373.0	206.3
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances.....	-1,939.0	-588.5
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Canada savings bonds.....	71.8	80.1
Marketable issues.....	1,003.7	349.8
Treasury bills.....	360.0	170.0
Special issues—		
Unemployment Insurance Commission.....	80.0	36.0
Canada pension plan.....	5.6	3.8
	1,521.1	639.7
Securities investment account ⁽¹⁾		154.9
Investments held for retirement of unmatured debt.....	2.1	-4.9
	1,523.2	789.7
Net increase or decrease (-) in Receiver General bank balances.....	-415.8	201.2

⁽¹⁾Excluding securities other than government securities.

tions in unmatured debt during the year resulted in an increase of \$1,523 million. In outstanding unmatured debt as at March 31, 1969, Receiver General bank balances decreased by \$416 million. In 1967-68 the budgetary deficit of \$795 million and net receipts of \$206 million from non-budgetary transactions resulted in a cash requirement of \$589 million. As outstanding unmatured debt increased by \$790 million, Receiver General bank balances were increased by \$201 million.

Non-budgetary receipts and credits (excluding unmatured debt transactions)

Non-budgetary receipts and credits of \$2,005 million in 1968-69 included \$1,464 million in respect of annuity, insurance and pension accounts, \$130 million in repayments of loans, investments and advances and \$411 million in sundry other accounts.

Further details are given in the following table:

TABLE 70
(in millions of dollars)

NON-BUDGETARY RECEIPTS AND CREDITS (NET)	Fiscal year ended March 31	
	1969 (preliminary)	1968
Repayments of loans, investments and advances—		
Investments in United States dollar securities issued by other than the Government of Canada.....	32.3	57.4
Defence production revolving fund.....	2.0	-5.0
Royal Canadian Mint.....	12.0	2.5
Agricultural commodities stabilization account.....	0.6	0.6
Canada Deposit Insurance Corporation.....	5.9	-29.4
Canadian Commercial Corporation.....	1.0	-6.5
Canadian Corporation for the 1967 World Exhibition.....	57.0	-30.0
Canadian Overseas Telecommunication Corporation.....	3.1	-2.6
National Capital Commission.....	12.9	-0.8
Municipal development and loan board.....	3.0	-48.5
	129.8	-62.3
Annuity, insurance and pension accounts—		
Superannuation accounts—		
Public service.....	298.4	186.3
Canadian forces.....	300.7	146.3
Royal Canadian Mounted Police.....	26.3	19.6
Canada pension plan account.....	755.2	671.9
Old age security fund.....	76.0	106.5
Other.....	7.6	6.5
	1,464.2	1,137.1
Other receipts and credits—		
Outstanding treasury cheques.....	83.6	44.8
Matured debt outstanding.....	6.8	-4.7
Interest due and outstanding.....	1.4	50.3
Interest accrued.....	70.7	29.1
Post office outstanding money orders.....	19.1	5.7
Provincial tax collection agreements account.....	41.8	27.7
Deposit and trust accounts.....	49.9	2.5
Undisbursed balances of appropriations to special accounts.....	100.5	23.3
Deferred credits.....	30.5	7.0
Miscellaneous.....	6.6	-9.8
	410.9	175.9
	2,004.9	1,250.7

Non-budgetary disbursements and charges (excluding unmatured debt transactions)

Non-budgetary disbursements and charges of \$3,378 million in 1968-69 included \$1,987 million for loans, investments and advances and \$1,391 million in other charges.

Further details are given in the following table:

TABLE 71
(in millions of dollars)

NON-BUDGETARY DISBURSEMENTS AND CHARGES (NET)	Fiscal year ended March 31	
	1969 (preliminary)	1968
Loans, investments and advances—		
Stockpiling of uranium concentrates.....	11.1	17.7
Advances to the exchange fund account.....	833.7	-321.7
Atomic Energy of Canada Limited.....	68.6	32.9
Canadian Broadcasting Corporation.....	22.0	18.4
Canadian Dairy Commission.....	19.8	22.1
Canadian National Railways.....	200.4	163.8
Cape Breton Development Corporation.....	4.8	5.2
Central Mortgage and Housing Corporation.....	386.7	633.9
Export Credits Insurance Corporation.....	33.9	34.7
Farm Credit Corporation.....	128.2	169.2
National Harbours Board.....	10.6	27.8
Northern Canada Power Commission.....	8.5	2.9
The St. Lawrence Seaway Authority.....	28.6	26.7
National governments.....	63.0	4.5
Subscriptions to capital of international organizations.....	29.8	17.7
Provincial governments.....	82.3	64.2
Veterans land act fund.....	40.3	71.5
Defence plant modernization.....	4.0	10.2
Loans to manufacturers of automotive products.....	2.4	7.9
Miscellaneous.....	8.0	20.1
	1,986.7	1,029.7
Other disbursements and charges—		
Canada pension plan investment fund.....	742.2	665.3
Accounts payable.....	120.2	-65.7
Non-interest-bearing notes.....	215.7	-450.3
Canadian Commercial Corporation—special deposit.....	18.1	-38.2
Canadian Dairy Commission.....	1.1	-25.2
Refundable corporation tax.....	95.8	-39.1
Provision for estimated premium on redemption of bonds.....	13.6	-6.0
Cash in hands of collectors and in transit.....	5.7	50.0
Moneys received after March 31 but applicable to the current year.....	4.2	5.1
Securities held in trust.....	53.1	8.7
Deferred charges.....	121.5	-89.9
	1,391.2	14.7
	3,377.9	1,044.4

THE PUBLIC DEBT

Gross and net debt

The gross debt of Canada, or the total of liabilities as recorded on the statement of assets and liabilities, was \$35,852 million at March 31, 1969, an increase of \$2,928 million over the total at March 31, 1968. The main changes were

increases of \$1,464 million in annuity, insurance and pension accounts, \$1,521 million in unmatured debt and decreases of \$152 million in current and demand liabilities and \$96 million in refundable corporation tax. Unmatured debt at \$22,101 million represented 62 per cent of the total and annuity, insurance and pension accounts at \$10,517 million represented 30 per cent. At March 31, 1968 unmatured debt was \$20,580 million or 63 per cent and annuity, insurance and pension accounts totalled \$9,053 million or 27 per cent.

The government's net recorded assets were \$18,526 million at March 31, 1969 an increase of \$2,362 million over the total at March 31, 1968. The main changes were increases of \$834 million in advances to the exchange fund account, \$832 million in loans to, and investments in, Crown corporations, \$742 million in the Canada pension plan investment fund, \$122 million in deferred charges and \$165 million in other loans and investments and a decrease of \$414 million in current assets. Loans to, and investments in, Crown corporations represented 47 per cent, advances to the exchange fund account represented 15 per cent and the Canada pension plan investment fund represented 11 per cent of the total. At March 31, 1968, loans to, and investments in, Crown corporations represented 49 per cent, advances to the exchange fund account represented 13 per cent and the Canada pension plan investment fund represented 8 per cent of the total.

The net debt of Canada was \$17,326 million at March 31, 1969 reflecting an increase of \$566 million, equivalent to the 1968-69 budgetary deficit.

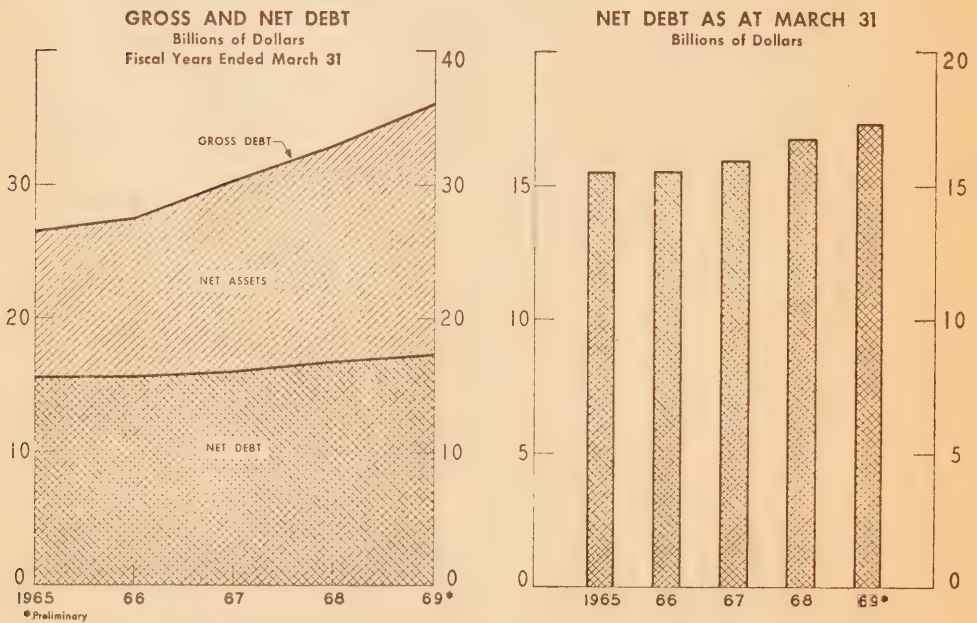


TABLE 72

STATEMENT OF PUBLIC DEBT, NET RECORDED ASSETS AND NET DEBT OF CANADA
(in millions of dollars)

As at March 31	Gross public debt			Less net recorded assets	Net debt	Increase in net debt during fiscal year
	Unmatured debt	Other liabilities	Total			
1965.....	18,978.2	7,585.7	26,563.9	11,059.5	15,504.4	434.3
1966.....	19,109.8	8,373.1	27,482.9	11,939.5	15,543.4	39.0
1967.....	19,940.2	10,400.0	30,340.2	14,375.2	15,965.0	421.6
1968.....	20,579.9	12,344.3	32,924.2	16,164.4	16,759.8	794.8
1969 (preliminary).....	22,101.0	13,751.0	35,852.0	18,526.2	17,325.8	566.0

Unmatured debt

Total unmaturred debt of \$22,101 million was \$1,521 million more than the balance at March 31, 1968.

The government's holdings of its own securities as at March 31, 1969 were comprised of \$44 million in the securities investment account (of which \$41 million was Canada savings bonds held in respect of the employees instalment purchase plan) and \$6 million in investments held for retirement of unmaturred debt. This was a decrease of \$2 million from the previous fiscal year-end

TABLE 73

(in millions of dollars)

UNMATURED DEBT TRANSACTIONS	Fiscal year ended March 31	
	1969 (preliminary)	1968
Balance at beginning of year.....	20,580	19,940
New issues—		
Canada savings bonds centennial series.....		79
Canada savings bonds series 22.....	23	1,404
Canada savings bonds series 23.....	3,338	
Canada savings bonds special replacement series—		
Conversion.....	539	
Cash.....	313	
Marketable bonds.....	2,344	2,235
Non-marketable bonds (Unemployment Insurance Commission)...	163	122
Non-marketable bonds (Canada pension plan).....	5	4
Treasury bills (net).....	360	170
	7,085	4,014
Conversions, maturities, redemptions and cancellations—		
Matured marketable bonds.....	-954	-1,575
Redeemed marketable bonds.....	-2	-5
Cancelled marketable bonds.....	-384	-305
Non-marketable bonds, matured or redeemed (Unemployment Insurance Commission).....	-83	-86
Canada savings bonds converted, matured or redeemed.....	-4,141	-1,403
	-5,564	-3,374
Increase in unmaturred debt.....	1,521	640
	22,101	20,580

total when holdings were \$44 million in the securities investment account (of which \$41 million was in respect of the employees instalment purchase plan) and \$8 million in investments held for retirement of unmatured debt.

Of the total unmatured debt, \$21,658 million was payable in Canada, \$267 million payable in New York, \$108 million payable in Italy and \$68 million payable in Germany. Securities payable in New York, Italy and Germany have been valued at official parity rates.

Summary of security issues, maturities, conversions, cancellations and redemptions

Excluding the refunding of treasury bills which mature weekly, the government issued securities of \$7,085 million and conversions, redemptions, cancellations and maturities totalled \$5,564 million.

Net sales of Canada savings bonds series 23 were \$3,338 million and additional sales of series 22 were \$23 million. In addition, a special replacement series was issued in June 1968 for which the public could exchange series 14 bonds. Total of this issue was \$852 million of which \$539 million was in conversion of series 14 and \$313 million was cash sales. Redemptions and maturities of series 11 to 23 totalled \$4,141 million. The net increase for all series was \$72 million bringing the total of outstanding Canada savings bonds to \$6,168 million.

Treasury bills increased by \$360 million to \$2,840 million and consisted of \$1,740 million in three-month bills, \$875 million in six-month bills and \$225 million in a 364-day bill.

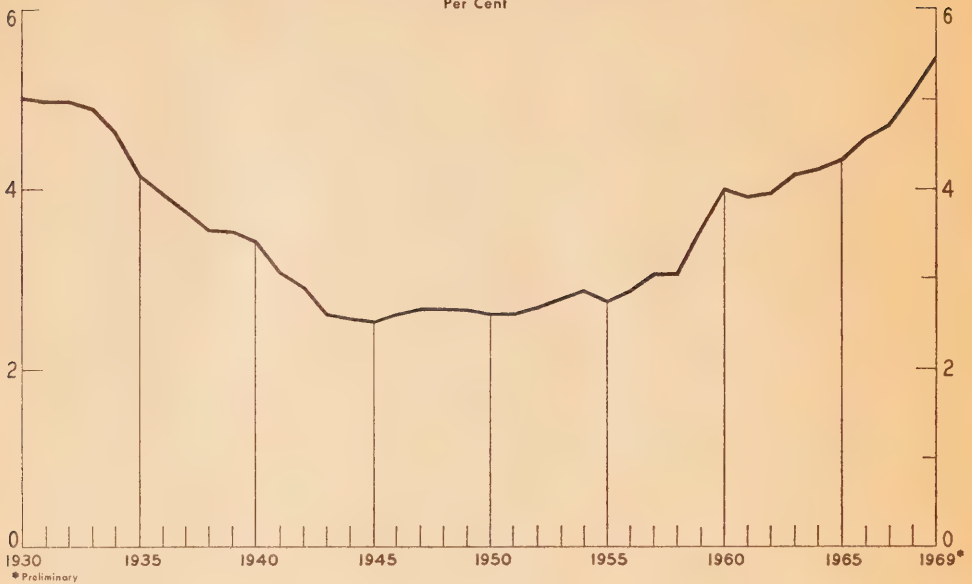
TABLE 74
DEBT CONVERTED, MATURED, REDEEMED OR CANCELLED DURING THE FISCAL YEAR
ENDED MARCH 31, 1969
(in millions of dollars)

—	Converted	Matured	Redeemed	Cancelled	Total
Marketable bonds—					
4½% 1967-68.....F 10		175.0			175.0
2½% 1950-68.....P 9		284.6		24.0	308.6
4½% 1967-68.....F 13		135.0		25.0	160.0
5% 1964-68.....CT 3		240.0		201.0	441.0
5% 1964-69.....CT 11				100.0	100.0
5% 1967-68.....F 15		20.0			20.0
4½% 1967-68.....F 18		100.0		25.0	125.0
5½% 1962-80.....AT 14				7.6	7.6
5½% 1966-80.....CT 26				1.1	1.1
5% 1962-87 (N.Y. loan).....			1.7		1.7
		954.6	1.7	383.7	1,340.0
Non-marketable bonds—					
Canada savings bonds S 14.....	538.4	158.2	13.7		710.3
Canada savings bonds S 11-23 and S.R.S.....			3,430.4		3,430.4
Unemployment Insurance Commis- sion, 4½%.....			17.0		17.0
Unemployment Insurance Commis- sion, 5½%.....			66.0		66.0
	538.4	1,112.8	3,528.8	383.7	5,563.7

TABLE 75
NEW SECURITIES ISSUED DURING FISCAL YEAR ENDED MARCH 31, 1969
(in millions of dollars)

	Total amount issued
Marketable bonds—	
5½% 1968-69.....F 16	60.0
6% 1968-70.....F 24	35.0
7% 1968-73.....F 25	475.0
6¾% 1968-69.....F 26	75.0
7% 1968-70.....F 27	275.0
7% 1968-74.....F 28	250.0
6½% 1968-69.....F 29	35.0
6¾% 1968-70.....F 30	105.0
6½% 1968-71.....F 31	200.0
6½% 1968-75.....F 32	200.0
6½% 1968-95.....F 33	100.0
6½% 1968-70.....F 34	50.0
6½% 1968-71.....F 35	200.0
6¾% 1968-88 (New York).....	108.1
6¾% 1968-73 (Germany).....	67.6
5½% 1968-70 (Italy).....	34.6
5½% 1968-71 (Italy).....	36.3
6% 1968-72 (Italy).....	37.2
	<u>\$,543.8</u>
Non-marketable bonds—	
Unemployment Insurance Commission—	
6½%.....	71.0
6%.....	92.0
	<u>163.0</u>
Canada savings bonds—	
Nov. 1, 1967—Nov. 1, 1980.....S 22	23.1
Nov. 1, 1968—Nov. 1, 1983.....S 23	3,337.9
May 1, 1968—Oct. 1, 1978 special replacement series—	
Conversion.....	538.4
Cash.....	313.1
Canada pension plan—	
6.40%—7.17%.....	5.6
Weekly treasury bills (net).....	360.0
	<u>7,084.9</u>

AVERAGE INTEREST RATE ON UNMATURED DEBT
As At March 31
Per Cent



Interest rates

The average interest rate on the government's unmatured debt was 5.45 per cent at March 31, 1969 compared with 5.06 per cent at March 31, 1968.

The yield on three-month treasury bills which was 6.98 per cent at tender on March 28, 1968 was 6.58 per cent on March 27, 1969.

The yield on six-month treasury bills which was 6.98 per cent at tender on March 28, 1968 was 6.80 per cent on March 27, 1969.

The yield on 364-day bills which was 5.65 per cent at tender on November 30, 1967 was 6.53 per cent at tender on June 27, 1968 and 5.90 per cent at tender on November 27, 1968.

The following table shows the average high and low yields together with the average yield on the latest issues for the fiscal years 1964-65 to 1968-69 inclusive:

TABLE 76
TREASURY BILLS AVERAGE YIELDS AT TENDER

FISCAL YEAR ENDED MARCH 31	High	Low	Last issue
Three-month bills—			
1965.....	3.87	3.53	3.62
1966.....	5.06	3.61	5.06
1967.....	5.20	4.10	4.13
1968.....	7.01	3.96	6.98
1969.....	7.00	5.48	(1)6.58
Six-month bills—			
1965.....	4.06	3.69	3.73
1966.....	5.30	3.71	5.30
1967.....	5.33	4.04	4.11
1968.....	7.02	3.97	6.98
1969.....	7.01	5.43	(1)6.80
364-day bills—			
1968.....	5.65	5.65	5.65
1969.....	6.53	5.90	(2)5.90

(1) March 27, 1969.

(2) November 28, 1968.

Indirect debt or contingent liabilities

In addition to the direct debt set out in the statement of assets and liabilities, the government has assumed certain indirect or contingent obligations. These consist of securities of the Canadian National Railways, guaranteed as to principal and interest, and a number of miscellaneous guarantees, the chief of which are the guarantee of insured loans made by chartered banks and other approved lending institutions under the National Housing Act, 1954, deposits maintained by the chartered banks in the Bank of Canada, advances under the Export Credits Insurance Act, notes issued by the Canadian Corporation for the 1967 World Exhibition, bank loans under the Canada Student Loans Act and the Farm Improvement Loans Act and bank loans to the Canadian Wheat Board.

TABLE 77
CONTINGENT LIABILITIES (preliminary)

	Amount of guarantee	Amount outstanding
	\$	\$
Railway securities guaranteed as to principal and interest—		
Canadian National 2½% due September 15, 1969.....	70,000,000	70,000,000
Canadian National 2½% due January 16, 1971.....	40,000,000	40,000,000
Canadian National 5½% due December 15, 1971.....	184,643,500	184,643,500
Canadian National 3½% due February 1, 1974.....	200,000,000	200,000,000
Canadian National 2½% due June 15, 1975, U.S. \$6,000,000 ⁽¹⁾	6,486,486	6,486,486
Canadian National 5% due May 15, 1977.....	81,675,000	81,675,000
Canadian National 4% due February 1, 1981.....	300,000,000	300,000,000
Canadian National 5½% due January 1, 1985.....	95,575,000	95,575,000
Canadian National 5% due October 1, 1987.....	152,986,000	152,986,000
	<u>1,131,365,986</u>	<u>1,131,365,986</u>
Other outstanding guarantees and contingent liabilities—		
Deposits maintained by the chartered banks in the Bank of Canada.....	Unstated	1,038,024,915
Loans made by lenders under Part IV of the National Housing Act, 1954, for home extensions and improvements ⁽²⁾⁽³⁾	25,000,000	21,116,000
Insured loans made by approved lenders under the National Housing Act, 1954 ⁽²⁾⁽⁴⁾⁽⁵⁾	9,500,000,000	6,732,000,000
Liability for insurance and guaranties and other commitments with respect to long-term financing under sections 21 and 21A of the Export Credits Insurance Act ⁽²⁾	1,100,000,000	332,966,459
Loans made by chartered banks under the Farm Improvement Loans Act ⁽²⁾⁽⁶⁾	235,000,000	84,605,400
Loans made by chartered banks and credit unions under the Fisheries Improvement Loans Act ⁽²⁾	2,700,000	730,700
Loans made by chartered banks under the Small Businesses Loans Act ⁽²⁾	44,010,600	17,196,500
Loans made by chartered banks and credit unions under the Canada Student Loans Act ⁽²⁾⁽⁷⁾⁽⁸⁾	258,561,600	256,302,000
Notes issued by the Canadian Corporation for the 1967 World Exhibition.....	56,100,000	56,100,000
Loans made by chartered banks to the Canadian Wheat Board.....	680,000,000	394,900,000
		<u>8,933,941,974</u>
Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act.....	Unstated	Indeterminate
Guarantees to owners of returns from moderate rental housing projects ⁽⁹⁾	Unstated	Indeterminate

⁽¹⁾ Converted at \$1.08108 Canadian official parity rate.

⁽²⁾ As of December 31, 1968.

⁽³⁾ Amount of guarantee authorized increased as of March 31, 1969 by \$2.5 million.

⁽⁴⁾ As reported (in accordance with section 45, National Housing Regulations) by approved lenders as of December 31, 1968.

⁽⁵⁾ Amount of guarantee authorized increased as of March 31, 1969 by \$1.5 billion.

⁽⁶⁾ Amount of guarantee authorized estimated on basis of new formula included in legislation in November 1968.

⁽⁷⁾ Amount of guarantee authorized increased as of March 31, 1969 by \$10.4 million.

⁽⁸⁾ Includes contingent liability in respect of alternative payments to non-participating province.

⁽⁹⁾ As of December 31, 1968, funds totalling \$4,658,911 were held by the Central Mortgage and Housing Corporation for the purpose of settling claims. In 1968 rental contracts totalled \$12,596,000.

SUPPLEMENTARY DETAILED TABLES

REVENUE

EXPENDITURE

ANNUAL CHANGES IN LOANS AND INVESTMENTS

UNMATURED DEBT

STATEMENT OF REVENUE FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1964-65	1965-66	1966-67	1967-68	1968-69 (preliminary)
Tax revenue—					
Income tax—					
Personal ⁽¹⁾⁽²⁾	2,103.3	2,142.5	2,473.8	2,849.6	3,422.0
Corporation ⁽¹⁾⁽²⁾	1,523.8	1,606.6	1,593.2	1,670.6	2,030.0
On dividends, interest, etc., going abroad.....	143.7	170.0	203.6	220.5	206.0
	3,770.8	3,919.1	4,270.6	4,740.7	5,658.0
Excise taxes—					
Sales tax ⁽¹⁾⁽²⁾	1,204.6	1,395.1	1,513.6	1,601.1	1,572.0
Other taxes—					
Cigarettes, tobacco and cigars.....	218.3	238.1	251.4	266.7	303.0
Jewellery, watches, ornaments, etc.....	6.9	7.9	8.9	10.2	9.0
Matches and lighters.....	1.2	1.2	1.2	1.2	1.0
Television sets, radios and phonographs.....	23.5	27.0	31.2	32.6	36.0
Toilet preparations.....	12.8	14.1	15.5	17.9	18.0
Wines.....	4.1	4.4	4.8	5.3	6.0
Sundry commodities.....	1.4	2.2	1.2	1.5	2.0
Interest and penalties.....	1.2	1.6	1.9	2.2	3.0
Less refunds.....	-0.3	-0.3	-0.5	-0.6	-1.0
	269.1	296.2	315.6	337.0	377.0
Customs import duties⁽²⁾.....	622.1	685.5	777.6	746.4	760.0
Excise duties—					
Spirits.....	134.7	157.0	158.2	180.5	187.0
Beer.....	105.4	107.9	113.3	120.2	134.0
Cigarettes, tobacco and cigars.....	177.2	187.1	196.4	194.6	196.0
Less refunds.....	-5.9	-6.1	-6.9	-6.7	-8.0
	411.4	445.9	461.0	488.6	509.0
Estate tax.....	88.6	108.3	101.1	102.2	111.7
Miscellaneous tax revenue.....	0.2	0.2	0.2	0.3	0.3
Total tax revenue.....	6,366.8	6,850.3	7,439.7	8,016.3	8,988.0
Non-tax revenue—					
Return on investments.....	422.7	438.3	519.1	612.3	693.0
Post office—net postal revenue.....	230.4	237.5	253.3	281.6	305.0
Other.....	106.3	116.1	106.4	119.0	183.0
Total non-tax revenue.....	759.4	791.9	878.8	1,012.9	1,181.0
Total revenue⁽³⁾.....	7,126.2	7,642.2	8,318.5	9,029.2	10,169.0

⁽¹⁾ Excluding credits to old age security fund—

	1964-65	1965-66	1966-67	1967-68	1968-69 (preliminary)
Personal income tax.....	431.9	494.9	576.6	800.1	915.0
Corporation income tax.....	145.2	152.3	149.5	150.0	183.0
Sales tax.....	383.2	522.1	559.5	544.5	522.0

⁽²⁾ Net after deduction of refunds and drawbacks as well as transfers to the old age security fund.⁽³⁾ Department of Transport votes 5 and 30, Appropriation Act No. 4, 1968, gave authority to credit thereto revenue arising therefrom. For purposes of comparison, prior years' figures have been adjusted accordingly.

**STATEMENT OF EXPENDITURE BY DEPARTMENTS⁽¹⁾ AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS**

(in millions of dollars)

	1964-65	1965-66	1966-67	1967-68	1968-69 (preliminary)
AGRICULTURE—					
Administration and general.....	43.3	48.3	51.0	60.4	48.0
Production and marketing, including grants and other assistance—					
Administration and general.....	28.7	58.1	50.9	36.6	51.0
Agricultural commodities stabilization ac- count—net operating loss.....	57.1	39.4	88.7	139.7	143.0
Research.....	28.8	32.6	35.4	39.7	44.0
	157.9	178.4	226.0	276.4	286.0
COMMUNICATIONS—					
Administration and general.....	6.7	7.6	9.5	11.0	10.5
Post Office.....	210.5	240.2	268.5	301.8	347.0
	217.2	247.8	278.0	312.8	357.5
CONSUMER AND CORPORATE AFFAIRS—					
Administration and general.....	4.6	5.5	6.5	8.7	10.8
Standards branch.....	3.3	3.5	3.9	4.2	3.2
	7.9	9.0	10.4	12.9	14.0
ENERGY, MINES AND RESOURCES—					
Administration and general.....	2.2	2.7	3.1	5.2	6.1
Atomic Energy.....	46.5	54.5	60.2	69.3	72.6
Dominion Coal Board.....	22.0	22.7	38.0	33.6	7.1
Mines, minerals, energy and geosciences.....	46.8	52.2	53.9	53.1	53.5
National Energy Board.....	0.7	0.9	1.1	1.6	1.5
Water and coordination of renewable re- sources programs.....	21.4	25.5	31.3	40.5	41.2
	139.6	158.6	187.6	203.3	182.0
EXTERNAL AFFAIRS—					
Administration and general.....	29.8	34.5	39.6	48.9	52.8
Canadian International Development Agency Assessments, contributions and other pay- ments to international organizations and international multilateral economic and special programs.....	81.4	86.0	159.7	134.8	141.3
	20.0	32.0	31.2	32.0	30.9
	131.2	152.5	230.5	215.7	225.0
FINANCE—					
Administration and general.....	7.2	9.8	21.3	19.6	21.8
Grants to municipalities and provinces in lieu of taxes.....	35.7	36.8	37.6	41.5	43.7
Municipal Development and Loan Board.....	2.7	33.9	41.8	17.4	3.5
Public debt charges including interest and amortization.....	1,051.3	1,110.9	1,190.5	1,300.8	1,479.0
Subsidies and fiscal arrangements payments to provinces.....	358.4	466.0	515.5	737.5	867.1
Auditor General's Office.....	1.6	1.7	2.1	2.3	2.6
Insurance.....	1.4	1.5	1.7	1.9	2.0
	1,468.3	1,660.6	1,810.5	2,121.0	2,419.7
FISHERIES AND FORESTRY—					
Fisheries.....	25.6	34.5	41.5	51.7	49.6
Forestry.....	20.3	21.4	24.8	22.1	21.4
	45.9	55.9	66.3	73.8	71.0
GOVERNOR GENERAL AND LIEUTENANT-GOV- ERNORS.....	0.7	0.7	0.8	1.0	1.0
INDIAN AFFAIRS AND NORTHERN DEVELOP- MENT—					
Administration and general.....	1.5	1.4	1.9	2.6	3.0
Conservation.....	25.1	29.0	35.6	36.7	41.4
Indian Affairs.....	64.8	81.7	103.1	122.5	141.5
Northern program.....	35.9	44.3	56.8	69.6	79.1
	127.3	166.4	197.4	231.4	265.0

STATEMENT OF EXPENDITURE BY DEPARTMENTS⁽¹⁾ AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS—*Continued*

(in millions of dollars)

	1964-65	1965-66	1966-67	1967-68	1968-69 (preliminary)
INDUSTRY AND TRADE AND COMMERCE—					
Industry.....	56.5	72.1	76.9	92.1	86.5
Trade and Commerce.....	71.3	62.4	66.5	71.7	92.8
Dominion Bureau of Statistics.....	13.5	15.6	26.6	22.5	24.7
	141.3	150.1	170.0	186.3	204.0
JUSTICE.....	10.7	11.4	12.2	15.4	17.0
LABOUR.....	23.4	24.0	24.9	10.9	12.0
Unemployment Insurance Commission—					
Administration and general.....	32.7	32.4	37.3	37.6	40.0
Government's contribution to the fund....	62.1	65.6	68.8	69.5	86.0
	118.2	122.0	131.0	118.0	138.0
LEGISLATURE—					
House of Commons.....	11.1	11.5	13.9	14.3	14.3
Senate.....	2.7	2.7	3.3	3.4	3.5
Library of Parliament.....	0.4	0.5	0.6	0.6	0.7
	14.2	14.7	17.8	18.3	18.5
MANPOWER AND IMMIGRATION—					
Administration and general.....	5.3	5.6	7.9	20.6	33.0
Adult occupational training program.....				105.1	190.1
Capital assistance re training facilities and manpower training research.....	52.8	104.1	136.2	119.3	97.7
Employment services.....	21.7	22.7	32.8	32.3	37.6
Immigration.....	12.2	14.3	20.5	21.6	22.8
Municipal winter works incentive program..	42.8	41.1	37.8	30.5	21.5
Program development.....				2.9	8.0
Technical and vocational training assistance payments to provinces.....	44.4	48.7	85.2	85.6	4.3
	179.2	236.5	320.4	417.9	415.0
NATIONAL DEFENCE—					
Administration and general.....	14.4	15.3	27.0	25.9	26.4
Canadian forces superannuation account—					
Government's contribution.....	58.8	58.8	42.6	58.4	57.0
Amortization of deferred charges.....	13.4	16.8	72.6	72.6	97.0
Defence services including development.....	1,387.0	1,401.3	1,435.3	1,528.2	1,512.0
Defence research.....	32.7	37.0	38.2	45.0	47.4
Mutual aid to NATO countries.....	27.5	14.6	18.7	18.0	15.3
Canada Emergency Measures Organization..	7.6	7.7	9.2	8.0	6.9
	1,541.4	1,551.5	1,643.6	1,756.1	1,762.0
NATIONAL HEALTH AND WELFARE—					
Administration and general.....	2.3	2.5	3.0	3.9	4.0
Food and drug services.....	4.1	5.2	6.5	7.9	9.0
Health insurance and resources—					
General health and hospital construction grants to provinces.....	56.7	45.5	45.1	46.0	47.3
Government's contributions under the Hospital Insurance and Diagnostic Ser- vices Act.....	433.9	319.6	397.4	468.6	560.0
Health resources fund.....			4.7	32.7	37.5
Medical Care Act.....					33.0
Other.....			0.2	1.3	1.2
Health services.....	7.7	7.6	8.4	8.6	7.6
Medical Research Council.....	7.6	10.8	14.8	21.0	26.5
Medical services.....	32.5	37.5	38.5	42.5	48.2
Welfare services—					
Family allowances.....	545.8	551.7	555.8	558.8	560.4
Youth allowances.....	26.9	46.5	47.4	49.4	52.6
Fitness and amateur sports payments.....	2.0	2.5	4.7	3.6	4.0
Old age assistance, blind persons and disabled persons allowances.....	74.0	45.5	38.1	18.3	11.3
Unemployment assistance.....	107.5	101.7	143.3	6.1	1.0
Canada assistance plan.....			10.5	225.6	251.4
Other.....	7.0	9.1	12.0	14.7	15.0
	1,308.0	1,185.7	1,330.4	1,509.0	1,670.0

STATEMENT OF EXPENDITURE BY DEPARTMENTS⁽¹⁾ AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS—*Continued*
(in millions of dollars)

	1964-65	1965-66	1966-67	1967-68	1968-69 (preliminary)
NATIONAL REVENUE.....	86.9	95.0	105.9	115.1	120.0
PRIVY COUNCIL.....	4.6	4.8	5.7	8.6	6.9
Economic Council of Canada.....	0.8	1.1	1.4	1.5	1.5
Public Service Staff Relations Board.....	5.4	5.9	7.1	11.1	9.5
PUBLIC WORKS—					
Administration and general.....	32.4	38.9	38.0	48.5	47.9
Accommodation services.....	87.3	101.7	108.5	133.8	168.5
Harbours and rivers engineering services.....	30.3	35.4	38.1	43.9	32.6
Trans-Canada highway—contributions to provinces.....	76.1	83.4	81.0	64.7	33.0
	226.1	259.4	265.6	290.9	282.0
REGIONAL ECONOMIC EXPANSION—					
Administration and general.....	38.1	46.7	50.2	92.4	74.0
Atlantic Development Board.....	4.3	23.8	40.0	42.4	42.0
Cape Breton Development Corporation.....				1.6	32.0
National Capital Commission.....	10.4	18.6	33.0	23.2	22.0
	52.8	89.1	123.2	159.6	170.0
SECRETARY OF STATE—					
Administration and general.....	4.7	9.3	13.7	29.8	27.9
Canadian Broadcasting Corporation.....	88.0	97.5	115.2	143.3	152.5
Canadian Radio-Television Commission.....	0.4	0.4	0.6	1.0	1.9
Centennial Commission.....	7.3	14.6	30.2	31.2	
Chief Electoral Officer.....	0.6	13.0	0.9	0.7	13.9
Company of Young Canadians.....			0.8	2.4	1.8
Grant to the Canada Council.....	10.0			16.9	20.4
National Film Board.....	6.4	6.9	8.0	9.3	10.5
National Gallery and National Museum.....	2.7	3.5	4.5	6.6	7.0
National Library.....	0.6	0.8	1.1	1.6	1.6
Office of the Representation Commissioner.....	0.2	0.8	0.2	0.1	0.1
Post-secondary education payments to provinces pursuant to the Federal-Provincial Fiscal Arrangements Act, 1967.....				108.0	277.0
Public Archives.....	0.9	1.2	1.6	2.0	2.2
Public Service Commission.....	5.8	7.5	10.1	12.6	13.2
University grants.....	27.3	27.7	87.1	0.2	
	154.9	183.2	274.0	365.7	530.0
SOLICITOR GENERAL—					
Administration and general.....	0.3	0.4	0.6	1.0	1.3
Correctional services.....	39.0	56.5	59.6	64.8	58.4
Royal Canadian Mounted Police.....	59.0	64.4	84.1	87.7	100.3
	98.3	121.3	144.3	153.5	160.0
SUPPLY AND SERVICES—					
Administration and general.....	4.7	3.2	3.9	5.4	5.1
Services.....	25.3	25.9	30.0	32.8	34.6
Supply.....	16.7	17.1	20.3	21.5	22.3
Public Printing and Stationery.....	2.7	3.0	4.0	4.9	4.0
	49.4	49.2	58.2	64.6	66.0
TRANSPORT ⁽²⁾ —					
Administration and general.....	6.4	4.6	6.3	7.1	8.5
Air services.....	100.8	110.7	129.5	131.1	146.2
Canadian Transport Commission—					
Administration and general.....	2.5	2.6	3.0	3.6	4.9
Payments to railways and transportation companies under the National Transportation Act.....	75.7	94.7	120.9	126.0	93.7
Contributions to the railway grade crossing fund.....	5.1	14.0	15.0	15.0	15.0
Steamship subventions.....	8.3	9.4	10.8	11.1	12.3
Subsidies to air carriers.....		0.4	0.4	1.2	2.1

STATEMENT OF EXPENDITURE BY DEPARTMENTS⁽¹⁾ AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS—*Concluded*

(in millions of dollars)

	1964-65	1965-66	1966-67	1967-68	1968-69 (preliminary)
TRANSPORT—<i>Concluded</i>					
Canals and works entrusted to The St. Lawrence Seaway Authority.....	29.0	10.1	12.9	10.6	11.6
Marine services.....	55.3	77.4	91.9	91.8	84.0
Non-active assets—National Harbours Board	7.6	4.8	7.0	4.8	7.0
Railways and steamships—					
Maritime Freight Rates Act.....	14.7	15.1	14.4	14.2	19.4
Deficits—					
Canadian National Railways.....	38.7	33.4	24.6	35.8	29.4
Newfoundland ferry and terminals.....	11.1	12.4	13.0	16.5	16.0
Prince Edward Island car ferry and terminals.....	4.0	4.2	4.6	4.8	5.4
Yarmouth-Bar Harbour ferry service....	0.1		(2)	0.4	0.5
Other.....	35.3	35.0	30.3	37.0	12.4
Central Mortgage and Housing Corporation..	15.0	21.6	20.1	23.1	33.4
	409.6	450.4	504.7	534.1	501.8
TREASURY BOARD—					
Administration and general.....	15.0	19.0	37.8	38.4	152.8
Public service superannuation account—					
Government's contribution.....	55.6	57.8	59.3	59.6	66.0
Amortization of deferred charges.....	10.0	25.9	56.3	60.6	84.0
National Research Council.....	49.1	63.6	79.9	100.7	120.2
	129.7	166.3	233.3	259.3	423.0
VETERANS AFFAIRS—					
Administration and general.....	10.5	10.7	9.6	10.1	9.9
Pensions for disability and death.....	180.3	185.6	195.9	205.6	223.0
Provision for reserve for conditional benefits....	3.1	3.2	3.5	4.0	4.3
Soldier settlement and veterans land act....	4.5	4.5	5.2	5.5	5.3
Treatment services.....	46.8	49.9	57.9	61.4	71.8
Welfare services, allowances and other benefits.....	106.9	115.8	118.7	114.2	112.7
	352.1	369.7	390.8	400.8	427.0
	7,164.2	7,681.2	8,740.0	9,824.0	10,735.0

⁽¹⁾ The presentation of expenditures in this report follows the 1968-69 Revised Estimates. For purposes of comparison, prior years' figures have been adjusted accordingly.

⁽²⁾ Less than \$50,000.

⁽³⁾ Department of Transport vote 5 and vote 30, Appropriation Act No. 4, 1968, gave authority to credit thereto revenue arising from services provided thereunder. For purposes of comparison, prior years' figures have been adjusted accordingly.

ANNUAL CHANGES IN LOANS AND INVESTMENTS FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1964-65	1965-66	1966-67	1967-68	1968-69 (preliminary)
Loans to, and investments in, Crown corporations—					
Air Canada.....	-1.4	0.7	3.1	0.6	-4.7
Atomic Energy of Canada Limited.....	12.0	11.9	28.4	32.9	68.6
Canada Deposit Insurance Corporation.....				29.4	-5.9
Canadian Arsenal Limited.....		-2.5			
Canadian Broadcasting Corporation.....	14.3	12.5	35.0	18.4	22.0
Canadian Commercial Corporation.....	-2.0	2.0	4.5	6.5	-1.0
Canadian Corporation for the 1967 World Exhibition.....		44.0	131.0	30.0	-57.0
Canadian Dairy Commission.....			0.1	22.1	19.8
Canadian National Railways.....	24.7	59.1	124.2	163.2	205.1
Canadian Overseas Telecommunication Corporation.....	-0.4	-2.6	-2.7	2.6	-3.1
Cape Breton Development Corporation.....				5.2	4.8
Central Mortgage and Housing Corporation..	221.7	315.1	488.6	633.9	386.7
Export Credits Insurance Corporation.....	33.4	36.4	36.2	34.7	33.9
Farm Credit Corporation.....	102.4	147.0	164.1	169.2	128.2
National Capital Commission.....	6.9	7.4	7.0	0.8	-12.9
National Harbours Board.....	1.7	3.0	19.5	27.8	10.6
Northern Canada Power Commission.....	5.4	2.1	0.8	2.9	8.5
St. Lawrence Seaway Authority ⁽¹⁾	-6.5	26.7	29.8	26.7	28.6
Other.....	-0.1				-0.1
	412.1	662.8	1,069.6	1,206.9	832.1
Loans to national governments—					
United Kingdom.....	⁽²⁾ 19.6	⁽²⁾ 19.2	-18.9	-19.2	⁽²⁾ 18.1
Export Credits Insurance Act.....	-2.3	-2.3	-2.3	-2.3	-2.3
Special loans to Colombo plan countries to finance the purchase of wheat and flour from Canada.....	-5.0	-1.3	-9.9	-0.3	
Loans to India for the purchase in Canada of aircraft and associated spare parts and equipment.....	-1.4	-2.2	-2.4	-2.7	-1.3
Special loan assistance—developing countries.		5.2	9.8	29.1	48.5
Other.....			0.1	-0.1	
	10.9	18.6	-23.6	4.5	63.0
Other loans and investments—					
Subscriptions to capital of, and working capital advances and loans to, international organizations—					
Canada's subscription to capital of—					
Asian development bank.....			2.7	2.7	2.7
International monetary fund.....			205.4		
International bank for reconstruction and development.....			4.5		
International development association..	7.9	15.0	15.0	15.0	27.1
Working capital advances and loans to international organizations.....	-0.2	-0.1	-0.1	-0.3	-0.3
Loans to provincial governments.....	-4.8	-1.7	26.8	64.2	82.3
Municipal development and loan board.....	7.6	101.3	122.3	48.5	-3.0
Veterans land act advances.....	14.3	24.1	55.2	71.5	40.3
Provincial tax collection agreements account—advances.....	-10.4				
Balances receivable under agreements of sale of Crown assets.....	-1.8	-1.7	-1.2	0.1	-0.2
Housing projects for Canadian forces.....	2.5	0.2	-0.1	1.1	0.1
Old age security fund.....	-75.0	-25.0			
Loans to manufacturers of automotive parts in Canada.....		0.1	12.5	7.9	2.4
Defence plant modernization.....				10.2	4.0
Other.....	1.5	10.9	7.8	10.3	9.8
	-58.4	123.1	450.8	231.2	165.2
Net total of changes in loans and investments..	364.6	804.5	1,496.8	1,442.6	1,060.3

⁽¹⁾ Includes deferred interest.⁽²⁾ Deferred interest.

UNMATURED DEBT INCLUDING TREASURY BILLS AS AT MARCH 31, 1969
AND THE ANNUAL INTEREST THEREON (preliminary)

	Date of maturity	Rate per cent	Amount of loan	Annual interest
			\$	\$
Payable in Canada—				
Loan of 1936.....	P 1	Perpetual	55,000,000	1,650,000
Loan of 1960.....	T 39	1969 Apr. 1	80,000,000	4,400,000
Loan of 1962.....	AT 16	Apr. 1	100,000,000	5,500,000
Loan of 1965.....	CT 23	Apr. 1	100,000,000	5,500,000
Loan of 1967 and 1968.....	F 16	Apr. 1	130,000,000	7,150,000
Canada savings bonds, 1956.....	S 11	May 1	19,233,250	769,330
Loan of 1964.....	CT 11	July 1	225,000,000	11,250,000
Loan of 1968.....	F 26	July 1	75,000,000	5,062,500
Loan of 1962.....	AT 13	Oct. 1	80,000,000	4,400,000
Loan of 1965.....	CT 21	Oct. 1	145,000,000	7,975,000
Loan of 1966.....	F 5	Oct. 1	250,000,000	14,375,000
Loan of 1967.....	F 19	Dec. 15	175,000,000	9,625,000
Loan of 1968.....	F 29	Dec. 15	35,000,000	2,275,000
Loan of 1968.....	F 24	1970 Feb. 15	285,000,000	17,100,000
Loan of 1958.....	T 24	May 1	200,000,000	7,000,000
Loan of 1968.....	F 34	May 1	50,000,000	3,125,000
Loan of 1965 and 1966.....	CT 19	July 1	175,000,000	8,750,000
Loan of 1966 and 1967.....	F 2	July 1	140,000,000	7,000,000
Loan of 1968.....	F 27	Oct. 1	275,000,000	19,250,000
Loan of 1968.....	F 30	Oct. 1	105,000,000	7,087,500
Canada savings bonds, 1957.....	S 12	Nov. 1	73,359,950	3,484,598
Canada savings bonds, 1960.....	S 15	Nov. 1	91,469,600	4,573,480
Loan of 1966.....	F 8	Dec. 15	300,000,000	17,250,000
Loan of 1967.....	F 20	1971 Apr. 1	225,000,000	13,500,000
Loan of 1968.....	F 35	Apr. 1	200,000,000	12,500,000
Loan of 1964.....	CT 15	June 1	350,000,000	17,500,000
Loan of 1968.....	F 31	Oct. 1	200,000,000	12,500,000
Canada savings bonds, 1961.....	S 16	Nov. 1	80,457,950	3,620,608
Loan of 1967 and 1968.....	F 17	Dec. 15	285,000,000	17,100,000
Conversion loan, 1958.....	T 28	1972 Sept. 1	1,267,203,100	53,856,132
Loan of 1968.....	F 25	1973 Apr. 1	475,000,000	33,250,000
Loan of 1967.....	F 11	Oct. 1	200,000,000	10,000,000
Loan of 1965.....	CT 17	Oct. 1	275,000,000	13,750,000
Canada savings bonds, 1958.....	S 13	Nov. 1	31,779,550	1,350,631
Loan of 1967.....	F 22	Dec. 1	225,000,000	14,062,500
Loan of 1968.....	F 28	1974 June 15	250,000,000	17,500,000
Canada savings bonds, 1964.....	S 19	Nov. 1	156,844,800	7,842,240
Loan of 1967.....	F 14	Dec. 1	100,000,000	5,500,000
Loan of 1968.....	F 32	1975 Apr. 1	200,000,000	13,000,000
Loan of 1959.....	T 36	Oct. 1	310,361,000	17,069,855
Loan of 1965.....	CT 24	Oct. 1	50,000,000	2,750,000
Loan of 1967.....	F 9	Oct. 1	70,000,000	3,850,000
Canada savings bonds, 1963.....	S 18	Nov. 1	168,069,750	8,403,487
Loan of 1960.....	T 38	1976 Apr. 1	436,198,000	23,990,890
Loan of 1954.....	T 11	June 1	247,046,500	8,029,011
Canada savings bonds, 1962.....	S 17	Nov. 1	281,818,000	15,499,990
Canada savings bonds, 1965.....	S 20	1977 Nov. 1	140,588,350	7,029,417
Loan of 1953 and 1958.....	T 5	1978 Jan. 15	207,911,500	7,796,681
Loan of 1954.....	T 13	1979 Oct. 1	343,246,500	11,155,511
Canada savings bonds, 1966.....	S 21	Nov. 1	693,649,550	34,682,483
Loan of 1962.....	AT 14	1980 Aug. 1	112,396,000	6,181,780
Loan of 1966.....	CT 26	Aug. 1	78,929,000	4,341,095
Loan of 1966.....	F 3	Aug. 1	160,000,000	8,800,000
Canada savings bonds, 1967.....	S 22	Nov. 1	424,605,500	22,291,789
Canada savings bonds, 1968.....	S 23	1982 Nov. 1	3,204,401,950	184,253,112
Conversion loan, 1958.....	T 29	1983 Sept. 1	1,992,679,450	89,670,575
Loan of 1963.....	AT 21	1988 June 1	100,000,000	5,000,000
Loan of 1964.....	CT 9	June 1	50,000,000	2,500,000
Loan of 1964 and 1965.....	CT 12	1990 May 1	225,000,000	11,812,500
Loan of 1967.....	F 12	May 1	125,000,000	6,562,500
Loan of 1966 and 1967.....	F 6	1992 Sept. 1	225,000,000	12,937,500
Loan of 1968.....	F 33	1995 Oct. 1	100,000,000	6,500,000
Conversion loan, 1956.....	T 15	1998 Mar. 15	197,045,000	7,389,188
Special replacement series.....		1978 Oct. 1	801,940,150	48,116,409
Three-month treasury bills.....		various	1,740,000,000	114,492,000
Six-month treasury bills.....		various	875,000,000	59,500,000
364-day treasury bills.....		various	225,000,000	13,275,000

UNMATURED DEBT INCLUDING TREASURY BILLS AS AT MARCH 31, 1969
AND THE ANNUAL INTEREST THEREON (preliminary)—*Concluded*

	Date of maturity	Rate per cent	Amount of loan	Annual interest
			\$	\$
Payable in Canada— <i>Concluded</i>				
Special non-marketable bonds—				
Unemployment Insurance Commission...		5	68,000,000	3,400,000
		5½	23,000,000	1,207,500
		5½	68,000,000	3,740,000
		5½	54,000,000	3,105,000
		6	92,000,000	5,520,000
		6½	71,000,000	4,615,000
Canada pension plan investment fund.....		various	11,315,000	804,497
			21,658,549,500	1,187,657,289
Payable in New York—				
Loan of 1949.....	1974 Sept. 1	2½	48,755,627	1,340,780
Loan of 1950.....	1975 Sept. 15	2½	30,301,591	833,294
Loan of 1962.....	1987 Oct. 15	5	79,567,488	3,978,374
Loan of 1968.....	1988 June 1	6½	108,108,000	7,432,425
			266,732,706	13,584,873
Payable in Germany—				
Loan of 1968.....	1973 June 1	6½	67,567,500	4,560,806
Payable in Italy—				
Loan of 1968.....	1970 May 15	5½	34,594,560	1,989,187
Loan of 1968.....	1971 May 15	5½	36,324,288	2,134,052
Loan of 1968.....	1972 May 15	6	37,189,152	2,231,349
			108,108,000	6,354,588
			22,100,959,706	1,212,157,556

The interest shown is a projection for one year at the annual rates on principal amounts outstanding at March 31, 1969. Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1969 has been used.

Bonds payable in New York, Germany and Italy have been converted at the official parity rate.

